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NOTICE

The undermentioned Gazettes of India Extraordinary were published upto the 5th September 1953 :—

Issue No.	No. and date	Issued by	Subject
222	S. R. O. 1644, dated the 2nd September 1953.	Ministry of Commerce and Industry.	Establishment of the Forward Markets Commission.
223	S. R. O. 1645, dated the 22nd August 1953.	Election Commission, India.	Election Petition No. 11/239 of 1952.
	S. R. O. 1646, dated the 22nd August 1953.	Ditto	Election Petition No. 13/260 of 1952.
224	S. R. O. 1647, dated the 4th September 1953.	Ditto.	To fill the vacancy in the House of the People caused by the death of Dr. Syama Prasad Mookerjee.
	S. R. O. 1648, dated the 4th September 1953.	Ditto.	Appointment of dates with respect to the bye-election to be held in the Calcutta South East Parliamentary Constituency.
	S. R. O. 1649, dated the 4th September 1953.	Ditto.	To fill the vacancy in the House of the People caused by the death of Shri Lakshmi Kanta Maitra.
	S. R. O. 1650, dated the 4th September 1953.	Ditto.	Appointment of dates with respect to the bye-election to be held in the Nabadwip Parliamentary Constituency.
225	S. R. O. 1651, dated the 3rd September 1953.	Ministry of Commerce and Industry.	Amendments made in the Textile Commissioner's Notification No. S. R. O. 1425, dated the 16th July 1953.

Copies of the Gazettes Extraordinary mentioned above will be supplied on indent to the Manager of Publications, Civil Lines, Delhi. Indents should be submitted so as to reach the Manager within ten days of the date of issue of these Gazettes

PART II—Section 3**Statutory Rules and Orders issued by the Ministries of the Government of India (other than the Ministry of Defence) and Central Authorities (other than the Chief Commissioners).****MINISTRY OF HOME AFFAIRS***New Delhi, the 2nd September 1953*

S.R.O. 1660.—In exercise of the powers conferred by section 17 of the Indian Arms Act, 1878 (XI of 1878) the Central Government hereby directs that the following further amendment shall be made in the Indian Arms Rules, 1951, namely:—

In condition 6 of Form XVII in Schedule VIII to the said Rules, the words and letters "if such place is situated in a Part A State or a Part C State" shall be omitted.

[No. 9/105/49-Police(I).]

New Delhi, the 5th September 1953

S.R.O. 1661.—In exercise of the powers conferred by section 27 of the Indian Arms Act, 1878 (XI of 1878) the Central Government is pleased to exempt Lt.-Colonel Ralph K. Jones of the United Nations Military Observer Group from the operation of the prohibitions and directions contained in section 6 of the said Act, in respect of one .45 bore automatic pistol No. 914850 and 46 rounds of ammunitions.

[No. 9/46/53-Police(I).]

U. K. GHOSHAL, Dy. Secy.

MINISTRY OF EXTERNAL AFFAIRS*New Delhi, the 4th September 1953*

S. R. O. 1662.—In exercise of the powers conferred by section 11 of the Chandernagore (Administration) Regulation, 1952 (Regulation I of 1952), the Central Government hereby extends to Chandernagore the enactments specified in column 1 of the Scheme hereto annexed subject to the modifications specified in column 2 thereof.

SCHEDULE

Enactments.	Modifications.
1. The Indian Electricity Act, 1910 (IX of 1910)	<p>1. Save as otherwise expressly provided throughout the Act, for the words "State Government" the words "Central Government" shall be substituted.</p> <p>2. For sub-section (3) of section 1, the following sub-section shall be substituted namely :— "(3) It shall come into force at once"</p> <p>3. In sub-section (1) of section 28, the proviso shall be omitted.</p> <p>4. In section 30, in clause (b) of sub-section (1)— (a) in sub-clause (ii), for the words and figures 'Indian Factories Act, 1911, or' the words and figures 'Indian Factories Act, 1948 (LXIII of 1948), or any law corresponding thereto in force in Chandernagore, or' shall be substituted.</p>

Enactments

Modifications

2. The Electricity (Supply) Act, 1948 (LIV of 1948).

- (b) in sub-clause (iii), for the words and figures "Indian Mines Act 1911, or" the words and figures "The Mines Act, 1952 (XXXV of 1952) or any law corresponding thereto in force in Chandernagore, or" shall be substituted.
- 5. In section 35
 - (a) in sub-section (1), the words "and each State Government may for the whole or any part of the State" shall be omitted; and
 - (b) in sub-section (3), the words "or the State Government, as the case may be" shall be omitted.
- 6. In sub-section (3) of section 36, the words "or the State Government, as the case may be" in both the places where they occur shall be omitted.
- 1. Save as otherwise expressly provided throughout the Act—
 - (a) for the words "State Government" or "Government of any State" the words "Central Government" shall be substituted;
 - (b) for the word "State" the word "Chandernagore" shall be substituted;
 - (c) for the words, "House, or as the case may be, Houses of the State Legislature", "State Legislative Assembly" the words "Advisory Council" shall be substituted.
- 2. For sub-sections (3) and (4) of section 1, the following sub-section shall be substituted, namely:—

"(3) It shall come into force at once."
- 3. In subsection (1) of section 5, for the words, figures and brackets "the issue of the notification under sub-section (4) of section 1", the words "the commencement of the Act" shall be substituted,
- 4. In section 6—
 - (a) In sub-section (1) for the words, figures and brackets "after it has issued a notification under sub-section (4) of section 1" the words at any time after the commencement of the Act" shall be substituted;
 - (b) in sub-section (2), for the words "State Governments" the word "Governments" shall be substituted;
 - (c) in sub-section (3) for the words "participating State Governments", in both the places where they occur, the words "participating Governments" shall be substituted.
- 5. In sub-section (1) of section 7, for the words "participating State Governments" the words "participating Governments" shall be substituted.

S.R.O. 1663.—In exercise of the powers conferred by section 55 of the Indian Electricity Act, 1910 (IX of 1910), the Central Government hereby issues the following order, namely:—

ORDER

Shri T. N. Idnani, Senior Project Officer, Central Water and Power Commission (Power Wing) shall discharge the functions of a State Government under the provisions of sections 13, 18, 34(2) and clauses V(2) and XIII of the Schedule to the Indian Electricity Act, 1910, in whole of the Chandernagore.

[No. D.4734-Eur.I/53.]

S.R.O. 1664.—In exercise of the powers conferred by sub-section (2) of section 36 of the Indian Electricity Act, 1910 (IX of 1910), the Central Government hereby appoints Shri T. N. Idnani Senior Project Officer, Central Water and Power Commission (Power Wing) to be the Electric Inspector for the whole of Chandernagore.

[No. D.4734-Eur.I/53.]

A. N. MEHTA, Under Secy.

MINISTRY OF STATES

New Delhi, the 3rd September 1953

S.R.O. 1665.—In exercise of the powers conferred by Entry 3(b) of the Table Annexed to Schedule I to the Indian Arms Rules, 1951, the Central Government is pleased to specify Shrimati S. S. Pramilaraje Chhatrapati, a member of the family of the Ruler of Kolhapur for the purposes of that entry.

[No. 159-D.]

S.R.O. 1666.—In exercise of the powers conferred by Entry 3(b) of the Table Annexed to Schedule I to the Indian Arms Rules, 1951, the Central Government is pleased to specify Shrimati Vijayadevi Chintamanrao Patwardhan, a member of the family of the Ruler of Kurundwad (senior) for the purposes of that entry.

[No. 160-D.]

S.R.O. 1667.—In exercise of the powers conferred by Entry 3(b) of the Table Annexed to Schedule I to the Indian Arms Rules, 1951, the Central Government is pleased to specify—

1. Shrimati Shantadevi Gaekwad, and
2. Shrimati Padmavati Devi,

members of the family of the Ruler of Baroda for the purposes of that entry.

[No. 161-D.]

H. C. MAHINDROO, Under Secy.

MINISTRY OF FINANCE

(Department of Economic Affairs)

New Delhi, the 1st September 1953

Report of the Central Board of Directors of the Reserve Bank of India for the year July 1, 1952—June 30, 1953

S.R.O. 1668.—In accordance with Section 53(2) of the Reserve Bank of India Act, 1934, the Central Board of Directors submits to the Central Government this Annual Report on the working of the Bank and the Accounts of the Bank for the nineteenth accounting period beginning on July 1, 1952 and ending on June 30, 1953.

The Indian Economy in 1952-53

2. During the greater part of the year under review, the Indian economy displayed a substantial degree of stability. Monetary and fiscal measures taken during 1951-52 had the effect of moderating the inflationary pressures in the economy appreciably by the middle of 1952. This trend was reinforced by the reversal of the inflationary movements abroad, following the adoption of dearer money policies

by several countries and the easing of tension in international relations. This disinflationary movement, if it had been carried too far, might have produced adverse repercussions on production. There was, therefore, a shift in emphasis in respect of economic policy, which was concerned during the year less with holding inflation in check than with assisting through various measures the attainment of higher production.

3. **Disinflation in 1951-52.**—The disinflationary measures adopted in 1951-52 have been explained in considerable detail in the Annual Report submitted last year and it is sufficient for the present purpose to recount briefly their impact on the economy. The new monetary policy, initiated in November 1951, imposed an effective check on monetary expansion and the pattern of interest rates also moved up. These adjustments curbed speculative lending and enabled the Reserve Bank to exercise an effective control on the magnitude and purpose of bank advances. This disinflationary trend was also assisted by an overall budgetary surplus of Rs. 7 crores, which was achieved despite an increase in development outlay in that year by the Central and State Governments under the first Five-Year Plan.

4. At the same time, the reduction in export earnings, consequent upon a fall in international demand, and the increase in imports made possible by the American Wheat Loan and assistance received under the Colombo Plan, helped to reduce the money supply with the public. Industrial output also rose appreciably and helped to increase the supplies in the domestic market. The general index of wholesale prices (Economic Adviser's index, base: year ended August 1939=100), fell from 425 at the beginning of February 1952 to 365 by the middle of March 1952, due largely to a very sharp decline in the prices of industrial raw materials and important export commodities. The nervousness created by this break in commodity prices spread to the bullion and security markets which registered heavy declines. For a while, it appeared as if a severe depression was imminent. But timely measures were taken by Government to bring about a revival of confidence and to arrest the steep fall in prices. Reduction in export duties, especially on hessian and sacking, lifting of quota and destination restrictions on a variety of exports and declaration of Government's willingness to buy at listed prices cotton held by banks as security against advances were some of the measures taken. The liberal advances granted by the Reserve Bank against Government securities and usance bills helped in the same direction. As a result of all these measures, the general index of prices rose gradually to 381 by the end of June 1952.

5. **Price Movements in 1952-53.**—This movement in prices had, by the beginning of July 1952, allayed to some extent the fears of a severe recession. The continued upward trend in production also helped to restore confidence. The general index of industrial production (base: 1946=100) rose from 121.6 in June 1952 to 138.6 in December 1952.

6. Some doubts regarding the trend of foreign and domestic prices persisted, and in September 1952 prices sagged again as foreign offtake of commodities like jute manufactures, tea and cotton textiles diminished. This trend continued till December, the general index falling by the middle of that month to 372. But the decline in prices was unevenly distributed, the fall in raw material prices and in prices of export goods being greater than in the case of manufactured articles and foodgrains.

7. After December, however, there was an almost uninterrupted rise in prices, especially in the second quarter of 1953. By early July 1953, the general price index had risen to 407, or 6.6 per cent. higher than at the beginning of the accounting year and 2.4 per cent. higher than the pre-Korean level (June 24, 1950). A variety of factors contributed to this upswing. Towards the beginning of 1953, commodity markets tended to become bullish on account of expectations of smaller output in the 1952-53 season, especially in respect of cotton, groundnuts, black pepper and tea. Stocks of raw materials built up in the first half of 1952 had been drawn upon. There was a further increase in pressure on domestic supplies, due to a steep fall in imports. The export demand for coarse and medium cotton textiles increased and this brought about a rise in the price of indigenous raw cotton.

8. **Causes for the Recent Rise in Prices.**—A factor of some importance which, in addition to those already mentioned, accounts for the recent rise in prices appears to be the revival of speculative interest in certain commodities. In the case of foodgrains, though the domestic output for the year as a whole was, in the aggregate, somewhat higher than in the previous year, there were certain pockets of scarcity and in certain other areas removal of restrictions on movement of foodgrains led to an increase in price levels.

9. The rise in prices since December 1952 and in particular the increase after April 1953 and the causes underlying it require careful further consideration, for which adequate data are not at present available. This rise has taken place against the background of a declining trend in world prices, though it may be noted that prices in the U.S.A. and U.K. in June 1953 were still higher than what they were in the pre-Korean period, whereas prices in India were not much higher than they were before the Korean conflict started. The trend in Indian prices cannot, therefore, be explained in terms of the trend in world prices, and except in the case of tea and possibly raw cotton, there was little external stimulus for the increase in domestic prices. Nor does the rise appear to be due to monetary factors. As explained later in this Report, the expansion of money supply in the busy season of 1952-53 was not abnormal, and as usual there was a return of funds in the first two months of the current slack season.

10. **Prices and Industrial Output.**—A feature to be noted since December 1952 has been the significant rise in those prices which enter appreciably into the cost structure of manufacturing industries. Prices of industrial raw materials and of food articles have increased sharply; in the period January to June 1953, the index of raw material prices rose by over 12 per cent. and the index of food articles by nearly 17 per cent. On the other hand, the price index of semi-manufactures increased by only 6 per cent., while that of manufactured articles actually fell by 0.2 per cent. The index of industrial production, which was on the whole rising in 1952, reached a peak of 138.6 in December, but fell to 130.8 in March 1953. In April, however, the upward movement reasserted itself and the index touched the record level of 141.2. Figures for subsequent months are not yet available. In view of these fluctuations, it is not possible at this stage to draw any definite inferences as to the implications of this increase in prices.

11. **Money Supply.**—During the year money supply was adjusted to seasonal demands in an orderly manner. Money supply with the public contracted by Rs. 111 crores during the slack season of 1952. Despite the fact that in the preceding busy season money supply had increased by only Rs. 8 crores, this diminution had, as explained below, no untoward effect on the money market. With the onset of the busy season, the increased demand for money was matched by an increase in supply. Between October 25, 1952 and May 8, 1953, covering the busy season, money supply increased by Rs. 87 crores. As in the previous year, the seasonal expansion in money supply was due to an increase in the currency component. Currency with the public rose by Rs. 109 crores, while deposit money fell by Rs. 22 crores. In the same period, there was an expansion of Rs. 78 crores in scheduled bank credit. In the first two months of the current slack season, money supply declined by Rs. 40 crores and at the end of June 1953, it was about Rs. 10 crores less than at the beginning of July 1952.

12. The reduction in money supply and scheduled bank credit during the slack season of 1952 was not such as to lead to monetary stringency. There was a gradual easing of money rates during the entire period. Towards the end of the slack season, the call money rate of the larger scheduled banks came down to $\frac{1}{2}$ - $\frac{3}{4}$ per cent. from around 3 per cent. at the beginning of May 1952, and the three months' deposit rate also declined to 2- $\frac{1}{2}$ per cent. from $3\frac{1}{4}$ per cent. in May. In the 1952-53 busy season, call money rates moved up to the previous busy season's levels of 3 per cent. in the case of larger scheduled banks and $3\frac{1}{4}$ per cent. for the smaller banks. In general, the movement in interest rates during the busy season was in accordance with anticipations and reflected a smooth adjustment of money supply to demand.

13. **The Gilt-Edged Market.**—There were also other indications of the adequacy of money supply during the year. The gilt-edged market remained steady throughout the year, and there was no liquidation of securities by the public in the busy season. The all-India index of Government of India security prices rose by over 1 per cent. in the busy season, from 91.1 in September 1952 to 92.3 in April 1953. The State Governments were able in August 1952 to borrow at 4 per cent. a gross amount of Rs. 17.1 crores. The cash-cum-conversion issue in June 1953 of the first series of Government of India $3\frac{1}{4}$ per cent. National Plan Bonds, 1961 for Rs. 75 crores, was fully subscribed, cash subscriptions amounting to Rs. 23.4 crores, and subscriptions through conversion of the 3 per cent. Loan, 1953—55 amounting to Rs. 51.9 crores. Sales of Government of India three months' Treasury bills to the public were resumed in September 1952, though as the busy season advanced, the weekly issue was lowered from Rs. 2 crores to Rs. 1 crore and the average rate of discount rose in line with other money rates from Rs. 2-0-2 to Rs. 2-7-0.

14. **Share and Bullion Markets.**—Equity and bullion markets, however, tended to be somewhat bearish, and the volume of transactions was substantially lower than

in the previous year. In the equities market price variations were largely due to such factors as changes in international situation and the narrowing of the margin between the prices of raw materials and those of manufactured articles. In fact, the reduced volume of transactions, due to a fall in speculative activity on the stock and commodity markets, had itself reduced the pressure of demand for funds.

15. Commercial Bank Credit and the Operation of the Bill Market Scheme.—Finally, the banking system was able to meet the busy season demand for credit with resorting to any extensive borrowing from the Reserve Bank or large-scale reduction in their holdings of investments, other than Treasury bills. Gross borrowings from the Reserve Bank under the Bill Market scheme amounted to Rs. 60·8 crores in the period January—June 1953, as compared to Rs. 74·0 crores in the corresponding period of 1952. Only 7 out of 14 banks approved under the Bill Market scheme applied for limits and the limits fixed in their favour aggregated Rs. 47·9 crores. As against the peak of Rs. 29·6 crores touched on May 10, 1952, by loans outstanding against bills, the maximum reached in 1952-53 was Rs. 20·3 crores on June 9, 1953. On June 30, 1953, outstanding advances amounted to Rs. 10·3 crores, as compared to Rs. 17·7 crores as on June 30, 1952. Advances against Government securities under Section 17(4)(a) of the Reserve Bank of India Act amounted to Rs. 113·2 crores between July 1952 and June 1953, as against Rs. 166·6 crores granted during the corresponding period of the previous year. By and large, banks preferred to finance their advances through a reduction in their cash reserves, short-term borrowing abroad and liquidation of Treasury bills. The ratio of cash and balances with the Reserve Bank to total deposit liabilities of scheduled banks fell from 11·82 per cent. at the beginning of September 1952 to 8·54 per cent. at the end of April 1953, as compared to a minimum of 8·95 per cent. reached in the 1951-52 season (February 22, 1952). The exchange banks' foreign borrowings during the busy season amounted to nearly Rs. 19 crores as against Rs. 15 crores in the corresponding season of the previous year.

16. Surplus in Balance of Payments.—It is expected that during the year July 1952 to June 1953 there would be a surplus on current account in the country's balance of payments, as a result of Government's trade policy. During the second half of 1952 while the trade balance showed a small surplus of Rs. 4·5 crores, the net surplus on current account was Rs. 43·4 crores, as against a deficit of over Rs. 80 crores in the first half of 1952. This has been a factor in easing the money supply position during the busy season. Preliminary estimates for the first quarter of 1953 reveal a continuation of the trend, though the current account surplus at Rs. 17·1 crores is smaller than in the fourth quarter of 1952. These surpluses were due entirely to a steep fall in imports on both private and Government accounts. In view of the unusually high level of imports in the first half of 1952, this fall was, to some extent, inevitable. Government imports, especially food imports, were much smaller in the latter half of 1952. The falling trend in import prices also contributed to the decline in imports, which in the second half of 1952 at Rs. 298 crores were nearly Rs. 150 crores less than in the first six months of 1952. Private imports fell very much more steeply than Government imports and it was only in the fourth quarter of 1952, by which time stocks built up in the first half of the year were used up substantially, that private imports revived to some extent. The revival, however, was moderate, and since Government's programme of food imports during the current year was considerably reduced, the balance of payments position was not affected adversely.

17. Side by side with import payments, export earnings also fell in the second half of 1952 by Rs. 16 crores. The dear money policies followed in several countries in 1951-52, import restrictions imposed by Commonwealth countries and the stretching out of the defence expenditure by the U.S.A. had the effect of reducing export receipts in the first half of 1952, and the fall in the succeeding quarters was not therefore marked. In the last quarter of 1952, when the volume of exports declined, receipts did not fall off to the same extent owing to a rise in prices. On balance, therefore, export earnings remained fairly steady though at a lower level than in 1951, but as a result of the decline in import payments mentioned above there was actually a surplus on current account in the balance of payments position.

18. Rise in Sterling Assets.—This surplus was utilised partly to repatriate a large part of the short-term funds borrowed from abroad during 1950-52. Even after allowing for these and other private transfers of capital, the sterling balances of the Reserve Bank increased from £ 511 million on June 30, 1952 to £ 538 million on June 30, 1953. There was, therefore, no need for India to draw on the release of £ 35 million available for the period 1952-53.

19. **Financing the Five-Year Plan.**—The year under report saw the completion of the second and the beginning of the third year of the Five-Year Plan, a revised version of which was published in December 1952. The main features of this revised Plan are now known. Reviewing the progress so far made, the Planning Commission published a Report, in the middle of May this year, which estimated that development expenditure in the public sector had increased from Rs. 282 crores in 1951-52 to Rs. 322 crores in 1952-53, or a total of Rs. 584 crores in the two-year period. In 1953-54, development outlay is expected to be of the order of Rs. 413 crores. In the remaining two years (1954-56), therefore, development outlay in the public sector will have to be stepped up to an average of over Rs. 500 crores per annum, in order to reach the five-year target of Rs. 2,069 crores set by the Planning Commission.

20. As regards the financing of the development programme in the public sector, the Planning Commission has estimated that the Central and State Governments together would be able to raise internal resources amounting to Rs. 1,258 crores in the five-year period. In addition, external resources already received by India in the form of loans and grants will help to finance the programme to the extent of Rs. 156 crores. On present estimates, therefore, the resources available to the public sector amount altogether to Rs. 1,414 crores, leaving a balance of Rs. 655 crores to be covered through further external resources that may be forthcoming or internal taxation and borrowing or deficit financing.

21. **Capital Requirements of the Private Sector.**—As regards the private sector, it is estimated by the Commission that the total capital investment necessary for industrial expansion during the five-year period would be of the order of Rs. 383 crores including the requirements for replacement and modernisation; in addition, the requirements in regard to working capital and current depreciation expenditure not covered by normal income-tax allowances are put at Rs. 150 crores and Rs. 80 crores respectively. The sources of finance estimated by the Planning Commission are as follows: foreign investment, Rs. 100 crores; savings of corporate enterprises in the industrial sector, Rs. 200 crores; new issues of capital, Rs. 90 crores; re-funds of E.P.T. deposits, Rs. 60 crores; assistance from the public sector, Rs. 5 crores and provision by banks and other sources of short-term finance, Rs. 158 crores.

22. In the absence of statistical data, no quantitative assessment of private industrial investment during the two-year period 1951-53 or of the magnitude of resources available to the private sector is possible. Nor is it possible to estimate the volume of savings which might be left for investment in the private sector after meeting the claims of investments in the public sector. The higher rates of interest prevailing and additional incomes generated by Government expenditure might be expected to stimulate private savings. But it is difficult at this stage to judge whether and to what extent these savings are likely to find their way into investment, especially having regard to the classes of people to whom the additional incomes are likely to accrue.

Banking Inspection and Supervision

23. **Operational Matters.**—Turning now to operational matters, the activities of the Bank during the period under review may be considered under four broad headings: (i) steps taken to promote sound banking practices in the country, (ii) facilities afforded by the Reserve Bank to commercial banks, (iii) measures taken to extend banking facilities in the country, especially in the rural sector and (iv) provision of training facilities for employees of banks and co-operative institutions.

24. **Inspection of Banks.**—The programme of inspection of banks which was started in 1950 with a view to promoting soundness in the financial position and in the methods of operation of banks was taken a step further during the year under review. Between July 1952 and June 1953, 24 scheduled and 99 non-scheduled banks were inspected, completing the first round of inspection of all scheduled banks and bringing the total number of banks inspected so far to 374. Of these, 265 banks were inspected under Section 22 of the Banking Companies Act, 1949, for ascertaining their eligibility for the grant of licence to carry on banking business. The remaining 109 banks were inspected under Section 35 of the Act in order to assess their overall financial position and methods of operation. In addition, 7 banks were inspected during 1952-53 in connection with their applications for grant of moratoria, one bank for issuing a certificate to the Court to the effect that it was unable to pay its debts and one bank in connection with its scheme of arrangement. Seven banks were also reinspected under Section 22 and eleven banks under Section 35 of the Banking Companies Act, with a view to

verifying the progress made by them since the previous inspection. Reinspection of two scheduled banks was in progress at the end of the year.

25. The inspections conducted during the year revealed, as in earlier years, several defects in methods of operation, which were pointed out to the banks concerned. Suggestions for rectifying them were offered, and some of the banks have been asked to submit progress reports indicating the corrective steps taken by them. As on June 30, 1953, 22 banks were submitting monthly progress reports and 233 banks quarterly progress reports.

26. A review of the progress reports submitted by banks previously inspected and the reinspections conducted by the Reserve Bank clearly illustrated that the banks in general accepted the Reserve Bank's advice and directions in the matter of putting their house in order. In certain cases, however, the progress achieved was unsatisfactory and the banks concerned were advised to take more effective steps to improve their working. In cases where the defects were of a serious nature and the progress made in regard to their rectification was not satisfactory, stringent action had to be taken. Three scheduled banks in respect of which it was found that the managements were incapable of safeguarding the interests of the depositors even when they were given the necessary opportunities of doing so, had to be excluded from the Second Schedule to the Reserve Bank of India Act. The policies pursued by some of the banks necessitated a close watch over their day-to-day affairs by an officer deputed by the Reserve Bank. The officer so deputed attends the bank daily or periodically, as may be considered necessary, and besides examining the books of account, attends the Board Meetings of the bank as an observer. As on June 30, 1953, six banks were under such observation.

27. Deterioration in the affairs of banks was often found to be due to the wide powers vested in their chief executive officers or due to their ignorance of proper banking practices. It was, therefore, suggested to banks of this type that they should appoint suitable persons as banking advisers, subject to informal approval by the Reserve Bank; during the year three banks appointed such advisers.

28. **Enforcement of Provisions of the Banking Companies Act, 1949.**—The Reserve Bank continued to watch closely the observance of the provisions of the Banking Companies Act, 1949, by banks in the country. Some of the companies which did not satisfy Section 11 of the Banking Companies Act relating to minimum capital requirements were granted extension of time for different period upto March 15, 1953 to enable them to comply with those provisions. Of the companies so directed, some raised their paid-up capital and reserves or reduced their area of operation to the extent necessary, while others suspended their banking business with a view to converting themselves into non-banking companies or going into liquidation. Since the Reserve Bank could not grant extension of time beyond March 15, 1953, the remaining non-complying banks were asked to apply to the Government for exemption.

29. Defaults under Section 18 regarding the maintenance of cash reserves by non-scheduled banks and under Section 24 relating to the maintenance of a minimum of 20 per cent. of their total demand and time liabilities in liquid assets were generally of a casual nature and there was no occasion to resort to penalties prescribed under Section 46 of the Banking Companies Act. Section 24 of the Banking Companies Act became applicable to banking companies incorporated in and confining their activities to Part B States with effect from April 1, 1953. On a representation received from the Travancore-Cochin Bankers' Association, the Reserve Bank recommended to Government the exemption of banks incorporated in and confining their activities to the Travancore-Cochin State from the provisions of Section 24(1) of the Act upto April 1, 1954, provided they maintained not less than 10 per cent. of the total liabilities in eligible assets as prescribed under the Act, and the recommendation was accepted by Government.

30. Some of the exemptions from the provisions of the Banking Companies Act, granted to banks in the previous years, were extended for limited periods. Apropos of the requirements under Section 24, banks have been permitted for a further period of one year from June 9, 1953 (a) to exclude borrowings from the Imperial Bank of India in computing their liabilities and (b) to treat as unencumbered their approved securities lodged with other banking companies or institutions for an advance or credit arrangement to the extent that such an advance or credit arrangement is unutilised. Further, banking companies were also exempted from the provisions in respect of the valuation of investments in Government securities while preparing the balance sheets as on the last working day of 1952, provided they showed separately the average book value of such investments in the 18

months immediately preceding the last working day of the year 1952, calculated in accordance with the average market value of each type of Government security over the period as determined by the Reserve Bank of India. As in the previous year, banks were allowed, if they so desired, to draw upon their statutory reserve funds for writing off losses on investments in Government securities before declaring dividends for the year 1952.

31. Action Regarding Lending Policy of Banks.—As regard the lending policy of banks, restrictive action had to be taken in only two instances. One non-scheduled bank was prohibited from enlarging its advances and one scheduled bank was advised that in case it granted any further advances to its directors it would be excluded from the Second Schedule to the Reserve Bank of India Act. Apart from these special cases, there was little need for drastic measures in regard to advances by banks in general or by any particular group. The daily returns of credit limits of Rs. 1 lakh and over sanctioned by scheduled banks to individual borrowers disclosed little evidence of direct speculative lending. For the most part, therefore, the Reserve Bank confined its activities to cautioning banks against maintenance of an over-extended position and advising them to restrict unsecured advances and advances against immovable properties or fixed assets. Wherever necessary, the attention of banks was drawn to the need for diversification of risk as regards securities as well as borrowers, independent valuation of securities lodged with banks, adequate insurance of goods pledged and hypothecated or house properties mortgaged and maintenance of reports on the credit-worthiness of borrowers.

32. During the year under report, two more banks applied for a licence to carry on banking business in India. Licences were issued in all to 14 banks. Licence was refused to the Banco Nacional Ultramarino in terms of Section 22(3)(c) of the Banking Companies Act, 1949, as the Reserve Bank was not satisfied that the Government of the country in which the bank was incorporated had ceased to discriminate against banking companies registered in India.

33. Change in Bill Market Scheme.—Passing on to a review of the facilities offered by the Reserve Bank to the banking system, certain improvements have been effected in the working of the Bill Market scheme introduced in January 1952 and in remittance facilities. Reference has already been made to advances under the Bill Market scheme during the period January—June 1953. The experience gained in the previous year facilitated a more efficient operation of the scheme. Owing, however, to the comparatively easy money market conditions in the 1952-53 busy season, borrowings against usance bills were, as mentioned earlier, smaller than in the 1951-52 season. It was represented by the Indian Banks' Association that under the conditions for eligibility imposed under the scheme only a few big banks could take advantage of the scheme. It was, therefore, decided in June 1953 to extend the facilities to scheduled banks having deposits (including deposits outside India) of Rs. 5 crores or more, provided they were in possession of a licence granted by the Bank in terms of Section 22 of the Banking Companies Act. It is hoped that this modification will enable a larger number of scheduled banks to take advantage of the facilities offered by the scheme in future.

34. Liberalisation of Remittance Facilities.—Remittance facilities were further liberalised in November 1952 and the concession rates applicable to remittances issued to approved non-scheduled banks and indigenous bankers in favour of themselves were also made available for remittances issued to these bodies in favour of third parties. The concession rates thus extended to telegraphic transfers and drafts in favour of third parties were 1/16 per cent. (minimum: 1 rupee) for amounts up to Rs. 5,000 and 1/32 per cent. (minimum: Rs. 3-2-0) for amounts exceeding Rs. 5,000. Further, it was also decided that exchange on drafts for small amounts issued to an approved non-scheduled bank or indigenous bankers, either in favour of itself or in favour of a third party, would be charged at the rate applicable to the general public, namely, 1/8 per cent. (minimum: annas 4). As on June 30, 1953, there were 60 non-scheduled banks and 8 indigenous bankers on the approved list of those eligible for the remittance facilities mentioned above.

35. Banks' Liquidation Proceedings Committee.—On the recommendation of the Reserve Bank, the Government of India appointed a Committee to investigate the question of expediting and economising the cost of liquidation proceedings of banking companies and to devise the necessary legislative and procedural changes. It started functioning in July 1952 and completed its deliberations by the end of the year. The report submitted by the Committee was published by Government for general information.

Some of the important recommendations of the Committee are summarised below:—

- (a) Avoiding multiplicity of proceedings in different Courts.
- (b) A summary procedure for the realisation of the outstanding debts of a banking company.
- (c) Rigorous and expeditious enforcement of the liability of the directors by providing for a compulsory public examination of their conduct in relation to the affairs of the banking company.
- (d) Vesting the Court with power to prohibit an incompetent director from being director of any company and prescribing a special period of limitation in respect of the claims of a banking company against its directors arising ex-contract.
- (e) A special provision that in all proceedings under Section 235 of the Indian Companies Act against directors, the burden of proving their non-liability will be on the directors, once a *prima facie* case is made out against them by the liquidator.
- (f) The appointment of Court liquidators in all States wherever possible, but particularly in the States of West Bengal and Travancore-Cochin.
- (g) Extension of the existing powers of a Court in regard to a scheme of arrangement sanctioned by it in respect of a banking company so as to empower the Court to exercise general supervision over the conduct of the scheme, with a view to ensuring that the scheme is effectively carried out, and to order the winding up of a banking company if the scheme cannot be implemented.
- (h) Making available the summary procedure for recovery of the debts recommended for banking companies in liquidation to banking companies working under schemes of arrangement also.
- (i) Empowering the Reserve Bank when directed by the Central Government to inspect a banking company which is being liquidated by a private liquidator and also to require the official liquidator of a bank to furnish any information regarding the liquidation proceedings and to inspect the records of the High Court in the matter of any bank in liquidation.

As desired by Government, the various recommendations of the Committee were examined and after consulting the Central Board, the Bank's views were communicated to Government.

Extension of Banking Facilities and Rural Finance

36. Reference was made in last year's Report to the recommendations of the Rural Banking Enquiry Committee (1950) and the Informal Conference on Rural Finance (1951) regarding the extension of banking facilities to rural areas and the role of the Reserve Bank in the provision of agricultural finance. Measures taken during the year under report to implement these recommendations included, in the sphere of expansion of banking facilities, further extension of the operations of the Reserve Bank to Part B States, opening of more branches of the Imperial Bank in relatively under-banked areas and a move towards reorganising the postal savings bank system on appropriate banking lines. As regards agricultural finance, the Bank agreed to extend its scheme of financial accommodation to some more State Co-operative Banks in Part A and Part B States. Progress was also made in respect of the re-organisation of the co-operative movement in various States.

37. **Reserve Bank and Part B States.**—In addition to Madhya Bharat and Travancore-Cochin mentioned in last year's Report, two more Part B States, namely, Mysore and Hyderabad, concluded agreements during the course of the year appointing the Reserve Bank as their sole banker. The agreement took effect on January 1, 1953, for Mysore, and on April 1, 1953, for Hyderabad. Subject to certain transitional arrangements for preventing undue dislocation, the Reserve Bank now conducts on behalf of the Governments of Mysore and Hyderabad their money, remittance, exchange and banking transactions, receives and keeps in deposit their cash balances, issues their new loans, if any, and, when the need arises, grants them ways and means advances in accordance with the prescribed procedure. To enable the Reserve Bank to discharge some of these functions, currency chests have been established at selected centres in these States.

38. Having regard to the special position occupied by the Hyderabad State Bank in the economy of that State, the Rural Banking Enquiry Committee had suggested that, with federal financial integration, the Hyderabad State Bank should be appointed as the agent of the Reserve Bank in the Hyderabad State. Accordingly, a separate agreement was executed on March 31, 1953 between the Reserve Bank, the Hyderabad State Bank and the Rajpramukh of Hyderabad, empowering the

Hyderabad State Bank to transact, on behalf of the Reserve Bank, the banking business of the Governments of Hyderabad and the Union of India (including transactions pertaining to railways) within the territories of that State. To enable the Hyderabad State Bank to discharge its agency functions, currency chests and small coin depots have been established by the Reserve Bank at various branches of the State Bank. In consequence, the Hyderabad State Bank will also be in a position to issue and encash remittances under the Reserve Bank's remittance facilities scheme. The State Bank is expected to provide these facilities to the banks and the public in the Hyderabad State with effect from August 1, 1953. In view of the responsibilities which have devolved on the Hyderabad State Bank as a result of these arrangements, the Government of Hyderabad has nominated, in exercise of its powers under the Hyderabad State Bank Act, a representative each of the Union Government and the Reserve Bank to the Board of Directors of the State Bank.

39. Arrangements are also in hand for the appointment of the Bank of Mysore as the Reserve Bank's agent in the Mysore State as early as possible. With regard to Saurashtra, Rajasthan and PEPSU, certain outstanding issues remain to be settled; and as soon as they are resolved it is hoped to introduce similar arrangements in those States.

40. **Opening of Branches by Imperial Bank.**—In regard to the extension of banking facilities to comparatively under-developed areas, a reference was made in the Report for last year to the agreement between the Reserve Bank and Imperial Bank of India, according to which the latter was to open about 30 new branches before the end of June 1953, besides converting some of its existing treasury pay offices into branches. The Imperial Bank has so far opened branches at 27 places, besides converting 9 treasury pay offices into branches. The second phase of the expansion programme of the Imperial Bank is now receiving attention and discussions will be held in this connection in the near future.

41. **Treasury Reform and Better Facilities for Remittances and Exchange.**—In addition to the steps already taken regarding the provision of better exchange and remittance facilities, it was considered desirable that the present limits for drawings of remittances at or on treasuries and sub-treasuries should be raised to at least twice the existing limits. It was also considered desirable that the Governments of Part A States should, where necessary, strengthen the treasury staff and the strong room space available at treasuries and sub-treasuries so as to facilitate the exchange of notes and coin. To this end, the Government of India issued, at the instance of the Reserve Bank, a circular letter to all Part A State Governments and as a result, some of these Governments have agreed to revise the limits on drawings on the lines indicated.

42. **Reorganisation of Postal Savings Banks.**—In the measures to be adopted for extension of banking facilities, the reorganisation of the postal savings bank system occupies an important place. A detailed investigation of the working of the system was conducted sometime ago by a senior officer of the Reserve Bank and one of the Directors of Postal Services, and some of the procedural improvements suggested in their report have already been carried out. As a first step towards the reorganisation of the postal savings bank system on appropriate banking lines, the Government of India appointed in December 1952 a Director of Postal Services, Savings Bank, to try out the scheme of reorganisation as an experimental measure at one or two centres in the Bombay State. The Government of India have since constituted an Advisory Committee, of which one of the senior officers of the Reserve Bank is a member, to suggest suitable measures for the implementation of the scheme.

43. **Liberalisation of Procedure for Financial Accommodation.**—A number of steps were taken in pursuance of the suggestions of the Informal Conference on Rural Finance regarding the grant of financial accommodation to State Co-operative Banks and generally the enlargement of the role of the Bank in the sphere of rural finance. As regards financial accommodation to State Co-operative Banks, the revised procedure evolved on the basis of the recommendations of the Informal Conference allows a large measure of freedom to State Co-operative Banks in the operation of credit limits. The arrangement is working satisfactorily and has been generally acceptable to co-operative banks. The total credit limits granted to State Co-operative Banks in 1952-53 amounted to Rs. 13.12 crores as against Rs. 12.80 crores in 1951-52. The amount drawn from the Reserve Bank, however, was slightly lower than in 1951-52, viz., Rs. 12.22 crores as compared with Rs. 12.51 crores in the previous year. The short-fall was due mainly to smaller drawings by State Co-operative Banks in Bombay and West Bengal, partly offset by larger

drawings by Madras, Uttar Pradesh, Madhya Pradesh, Orissa and Ajmer. Mention may also be made in this connection of the sanction during the year of a credit limit of Rs. 30 lakhs to the Madras State Hand-Loom Weavers' Co-operative Society for the purchase of yarn under the recently amended Section 17(2) (a) of the Reserve Bank of India Act.

44. State Co-operative Banks in Assam, Mysore, Saurashtra, Hyderabad and PEPSU approached the Reserve Bank for the first time for sanction of credit limits. The State Governments concerned have agreed to guarantee the repayment of loans taken from the Reserve Bank and also to implement programmes of reorganisation of the co-operative movement already suggested to them by the Bank. The Reserve Bank has consented to sanction appropriate credit limits to these State Co-operative Banks and it is expected that they will begin to operate on the limits in the near future.

45. **Amendments to the Reserve Bank Act.**—As regards measures to be adopted for enlarging the Bank's functions on the lines suggested by the Informal Conference, reference was made in last year's Report to certain projected amendments to the Reserve Bank of India Act, with a view to enabling the Bank to finance mixed farming activities, to provide short-term assistance to cottage industries and to dispense medium-term agricultural credit to co-operative banks to a limited extent. A Bill incorporating the requisite amendments was introduced in the Union Parliament in November 1952.

46. **Progress of the All-India Rural Credit Survey.**—An integrated policy in regard to agricultural credit needs to be devised in the light of the information that will be provided by the All-India Rural Credit Survey conducted under the auspices of the Bank. The field operations of the Survey covering, *inter alia*, 600 selected villages in 75 districts were completed by August 1952. The material collected has proved to be much more voluminous and complicated than originally anticipated; its tabulation and analysis having been brought near completion, the Committee of Direction expects to submit its report to the Reserve Bank shortly.

47. **Purchase of Land Mortgage Bank Debentures.**—Meanwhile, as regards long-term credit, the Reserve Bank continued to purchase up to a maximum of 20 per cent. of the debentures issued by Central Land Mortgage Banks. Subscriptions to such debentures during the year amounted to Rs. 10.9 lakhs, bringing the total so far contributed by the Bank to Rs. 54 lakhs. In many States, the existence of legislative restrictions on the transferability of rights in land, the fact that policies in respect of land reform were in the formative rather than final stages, the precarious agricultural economy in the unirrigated areas, etc. have hampered the promotion and development of land mortgage banks. It may, however, be hoped that with the crystallisation of land reform policies, extension of irrigation facilities, reorganisation of the co-operative structure of the various States, etc., the development of land mortgage banking will be accelerated in the future.

48. **Reorganisation of the Co-operative Credit Structure.**—In the matter of reorganisation of the co-operative banking and credit structure in the country, considerable progress was achieved during the year. The programme of preliminary investigation by officers of the Bank was completed in respect of all the States in the Indian Union excepting Jammu and Kashmir. Subsequent high-level discussions with the State Governments have been completed in respect of all the Part B States and some of the Part A and Part C States and a large measure of agreement has been reached between the Governments concerned and the Reserve Bank in respect of the broad lines of reorganisation. The pattern of the co-operative banking and credit structure generally recommended, where that structure needed to be built up or reorganised, has been of the federal type, with the State Co-operative Bank at the apex, the central banks at the district level and primary societies at the village level. For the smaller States, such as Bhopal, Himachal Pradesh and Vindhya Pradesh, however, it has been suggested that the State Co-operative Bank should deal directly with the primary societies.

49. In view of the importance of State Co-operative Banks in the Co-operative structure, considerable emphasis is placed on the creation or reconstruction of such institutions wherever necessary. Suggestions have been made regarding the rectification of defects in existing State Co-operative Banks in respect of financial operations, management, personnel, etc. In the case of new or reorganised State Co-operative Banks, the Reserve Bank has emphasised the need for a strong capital structure and for contribution of a substantial part of the share capital by the State Government. The Governments of Hyderabad, Mysore, Punjab, West Bengal and Assam have contributed or agreed to contribute substantially towards the

capital of such banks in their areas. New State Co-operative Banks have already been set up in Saurashtra and PEPSU and are expected to be started in Bhopal, Himachal Pradesh, Madhya Bharat and Rajasthan in the near future. Various measures for improving the efficiency and tone of co-operative central banks and of primary societies have also been suggested.

50. Inspection of Co-operative Banks.—In furtherance of the objective of improving the machinery and operations of co-operative credit, a system of inspection of co-operative banks on a voluntary basis was instituted during the year under report and two Co-operative Central Banks were inspected by the Reserve Bank. The inspections are so designed as to be complementary to, and not in duplication of, those conducted by the Registrars of Co-operative Societies in the various States.

51. The third meeting of the Standing Advisory Committee on Agricultural Credit was held in Bombay in December 1952. Among the subjects discussed at the meeting of the Committee were the fixation of criteria for establishment of new co-operative central financing agencies, maintenance of uniform standards of fluid resources by co-operative banks, procedure followed by the Reserve Bank in making advances to State Co-operative Banks, and the targets for agricultural finance fixed in the Five-Year Plan.

52. Reserve Bank and Industrial Finance Corporations.—In the field of industrial finance, an amendment was made during the year to the Industrial Finance Corporation Act, 1948, under which the Industrial Finance Corporation of India is authorised to borrow funds from the Reserve Bank against specified types of securities. It also provides for the creation of a Special Reserve Fund to which dividends on the shares held by the Central Government and the Reserve Bank will be credited until the amount in the Fund exceeds Rs. 50 lakhs. The Reserve Bank also contributed 20 per cent. of the issued share capital of Rs. 1 crore of the Punjab Financial Corporation, set up under the State Financial Corporation Act, 1951, for the purpose of supplying credit to medium and small-scale industries. The State Governments of Bombay, Hyderabad, Travancore-Cochin, Uttar Pradesh, West Bengal, Saurashtra and Mysore are also contemplating the establishment of similar Corporations.

53. Tea Garden Finance: Formulation of Limited Guarantee Scheme.—The Reserve Bank assisted in the formulation of a scheme for provision of finance to tea gardens, which experienced difficulties during the year. To assess the financial needs of the tea industry and to work out a scheme for provision of bank finance for the 1953-54 season, a Conference was held during December 1952 in which the representatives of the Central Government, the Reserve Bank, scheduled banks, apex co-operative banks and the tea interests concerned participated. As a result of the deliberations of the Conference, the Government of India formulated a limited guarantee scheme in terms of which Government undertook to meet, to a specified extent, the deficits, if any, of scheduled banks and apex co-operative banks which agreed to continue to provide normal finance to their tea garden constituents in the 1953-54 season. The guarantee is limited to 20 per cent. of the repayments made by the gardens in their hypothecation accounts with banks for the 1952-53 season in the case of gardens situated in Cachar, Darjeeling, Dooars, Terai and Tripura and 15 per cent. of the repayments in the case of gardens situated in other areas. Details of the scheme and the procedure to be followed by banks for availing themselves of the Government guarantee were worked out by Government in consultation with the Reserve Bank. The scheme is being administered by the Chairman, Central Tea Board, Calcutta.

54. Training Facilities for Co-operative and Commercial Bank Employees.—The paucity of trained staff is at present one of the factors limiting the development of co-operative and commercial banking in the country and the Reserve Bank took active steps to provide proper training facilities. A reference was made in the last Annual Report to the All-India Co-operative Training Centre at Poona sponsored and subsidised by the Reserve Bank and run in association with the Bombay Provincial Co-operative Institute. Two short-term courses were held, one in April 1952 and the other in October 1952; the third course which commenced on May 6, 1953, is now in progress. The first long-term course commenced in July 1952 and the next session was scheduled to start in July 1953. In all, 20 States have so far taken advantage of the training facilities provided at Poona. About two-thirds of the total number of trainees were from Part B and Part C States.

55. The question of providing training facilities for employees of commercial banks has been under consideration by the Reserve Bank for some time past. The matter was discussed informally in the first instance with the representatives of

the Indian Banks Association and the Indian Institute of Bankers last year. Following these discussions, a tentative scheme for setting up a training centre was drawn up and circulated to the scheduled banks. The scheme envisages the establishment of a staff-training college on the lines of institutions existing in the U.K., Australia, etc. where practical aspects of banking operations will be explained to the trainees with the help of various forms, specimens of credit instruments, etc., which are in use in the leading banks. It is expected that a "dummy" bank will be attached to the proposed college for the purpose of explaining to the trainees the working of the various departments of a modern bank. For the present, the training will be confined to the supervisory staff. The tentative scheme proposed in this connection has met with satisfactory response from the banks and a committee of bankers and others concerned with training in banking has since been set up, to assist in the formulation of final proposals in regard to the various details of the scheme.

Accounts and Other Matters

56. **Annual Accounts.**—During the year under review, the Bank's income amounted to Rs. 16.47 crores, and expenditure, which includes the expenses of administration and provision for sundry liabilities and contingencies, to Rs. 3.97 crores. The net profit available for payment to the Union Government in terms of Section 47 of the Reserve Bank of India Act was Rs. 12.50 crores, as against Rs. 7.50 crores last year.

57. The Bank's income during the year showed a sharp rise of Rs. 5.36 crores, as against a decline of Rs. 29 lakhs in the previous year. The higher income resulted mainly from the steep rise in the discount rates on Sterling Treasury bills, consequent on the raising of the U.K. Bank rate to 4 per cent. in March 1952. On the other hand, receipts under Exchange showed a small decrease due to smaller sales of sterling to scheduled banks and fewer transfers to the High Commissioner for India in London.

58. Expenditure rose by Rs. 36.01 lakhs, mainly under the heads 'Security Printing' and 'Establishment'. As compared with the previous year, the expenditure on Security Printing showed a further rise of Rs. 14.16 lakhs, as a result of higher manufacturing costs and larger supplies of note forms by the Nasik Press. The Main reasons for the increase of Rs. 12.18 lakhs in Establishment charges were the expansion in the activities of the Department of Research and Statistics and the Agricultural Credit Department at Bombay, augmentation of staff in the Issue Department and the Department of Banking Operations at Madras and larger loss on supply of foodstuffs to the Bank's staff.

59. **Auditors.**—The Accounts of the Bank have been audited by Messrs. S. B. Billimoria and Co. of Bombay, Messrs. P. K. Ghosh and Co. of Calcutta, and Messrs. Sastri and Shah of Madras, who were appointed by the Government of India as auditors of the Bank by Notification No. F. 3(48)-F.1/52 dated August 19, 1952, issued in exercise of the powers conferred by Section 50 of the Reserve Bank of India Act.

60. **Compensation to Shareholders.**—At the close of the year under review, the aggregate number of shares of the Bank tendered for payment of compensation, consequent on the nationalisation of the Bank effective from January 1, 1949, was 4,82,611, of which 4,544 shares were tendered during the year under review. The total compensation paid in the 3 per cent. First Development Loan, 1970-75 amounted to Rs. 5.36 crores and in cash to Rs. 35 lakhs.

61. **Composition of the Central Board.**—Shri N. Sundaresan, Deputy Governor, proceeded on leave from September 11, 1952 to January 10, 1953, and in his place the Union Government appointed Shri J. V. Joshi to officiate as Deputy Governor in terms of Section 12(1) of the Reserve Bank of India Act.

62. Shri Purshotamdas Thakurdas, Shri B. M. Birla, Shri Shri Ram and Shri C. R. Srinivasan, whose term of office as Directors of the Central Board expired on January 14, 1953, were renominated by the Union Government in terms of Section 8(1)(b) of the Act, with effect from January 15, 1953.

63. Shri K. G. Ambegaokar, I.C.S. continued to be the Director nominated by the Union Government under Section 8(1)(d) of the Act until May 4, 1953, on which date Shri S. G. Barve, I.C.S. was nominated in his place.

64. **Local Boards.**—The Central Board regrets to record the premature death, on December 24, 1952, of Shri Ramdeo Podar, a Member of the Western Area Local Board of the Bank.

65. Professor D. G. Karve was nominated by the Central Board in August 1952, in the vacancy which had arisen in the Western Area Local Board consequent on the resignation of Professor D. R. Gadgil (*vide* last Report). Professor Karve, however, resigned in October 1952 following his appointment as Director of the Programme Evaluation Organization of the Planning Commission. The vacancies caused by his resignation and the death of Shri Ramdeo Podar were left unfilled as the term of office of the Members of all the four Local Boards was due to expire in January 1953, in accordance with the provisions of Section 9(3) of the Act.

66. As mentioned above, the Members of the Local Boards vacated their office on January 14, 1953 and in accordance with the terms of Section 9(1) of the Act, the Union Government constituted new Local Boards for the Western, Eastern, Northern and Southern Arcas, as from January 15, 1953 (for list of Local Board Directors, see page 3).

67. **Meetings of the Central Board and its Committee.**—Seven meetings of the Central Board were held during the year, four in Bombay and one each in Calcutta, New Delhi and Madras. The Committee of the Central Board held fifty-two meetings, of which forty-eight were in Bombay, three in Calcutta and one in New Delhi.

68. **Bank's Offices.**—A branch of the Reserve Bank was opened at Bangalore on July 1, 1953. For the present, the branch will conduct the cash business of the Central and State Governments, provide exchange and remittance facilities, accept deposits from and make advances to banks, and purchase and sell sterling and Pakistan rupees to authorised dealers.

69. **Bank's Premises.**—The work of construction of the new buildings for the Bank's offices in Delhi and Nagpur has already commenced, and is scheduled to be completed within 2½ years.

70. With a view to providing suitable residential accommodation for the staff at Calcutta and Madras, the Bank has decided to purchase plots of land for the purpose, and arrangements in this regard were nearing completion at the end of the year.

By Order of the Central Board of Directors,

B. RAMA RAU,
Governor.

APPENDIX

Scheduled Banks

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| 1. Ajodhia Bank | 26. Canara Industrial and Banking Syndicate |
| 2. Allahabad Bank | 27. Central Bank of India |
| 3. American Express Co. Inc. | 28. Chartered Bank of India, Australia and China |
| 4. Andhra Bank | 29. Comptoir National D'Escompte de Paris |
| 5. Bank of Assam | 30. Devaran Nanjee Banking Co. |
| 6. Bank of Baroda | 31. Dinaipore Bank |
| 7. Bank of Behar | 32. Eastern Bank |
| 8. Bank of Bikaner | 33. Gadodia Bank |
| 9. Bank of China | 34. Grindlays Bank |
| 10. Bank of India | 35. Habib Bank |
| 11. Bank of Indore | 36. Hind Bank |
| 12. Bank of Jaipur | 37. Hindustan Commercial Bank |
| 13. Bank of Maharashtra | 38. Hindustan Mercantile Bank |
| 14. Bank of Mysore | 39. Hongkong and Shanghai Banking Corporation |
| 15. Bank of Nagpur | 40. Hyderabad State Bank |
| 16. Bank of Poona | 41. Imperial Bank of India |
| 17. Bank of Rajasthan | 42. Indian Bank |
| 18. *Bank of Tokyo | 43. Indian Overseas Bank |
| 19. Bareilly Corporation (Bank) | 44. Indo-Commercial Bank |
| 20. Belgaum Bank | 45. Indo-Mercantile Bank |
| 21. Benares State Bank | 46. Jodhpur Commercial Bank |
| 22. Bharatha Lakshmi Bank | |
| 23. Calcutta National Bank | |
| 24. Canara Bank | |
| 25. Canara Banking Corporation | |

*Included in the Second Schedule during the year ended June 1953.

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| 47. Karnani Industrial Bank | 70. Pandyan Bank |
| 48. Karur Vysya Bank | 71. Prabhat Bank |
| 49. Kumbakonam Bank | 72. Pratap Bank |
| 50. Lakshmi Commercial Bank | 73. Presidency Industrial Bank |
| 51. Laxmi Bank | 74. Punjab and Sind Bank |
| 52. Lloyds Bank | 75. Punjab Co-operative Bank |
| 53. Metropolitan Bank | 76. Punjab National Bank |
| 54. Mercantile Bank of India | 77. Sangli Bank |
| 55. Miraj State Bank | 78. Southern Bank |
| 56. Nadar Bank | 79. South India Bank |
| 57. Narang Bank of India | 80. South Indian Bank |
| 58. National Bank of India | 81. Tanjore Permanent Bank |
| 59. National Bank of Lahore | 82. Traders' Bank |
| 60. *National Bank of Pakistan | 83. Travancore Bank |
| 61. National City Bank of New York | 84. Travancore Forward Bank |
| 62. Nationale Handelsbank N. V. | 85. Union Bank of India |
| 63. Nedungadi Bank | 86. United Bank of India |
| 64. Netherlands Trading Society | 87. United Commercial Bank |
| 65. New Bank of India | 88. United Industrial Bank |
| 66. New Citizen Bank of India | 89. United Western Bank |
| 67. Oriental Bank of Commerce | 90. Universal Bank of India |
| 68. Oudh Commercial Bank | 91. Vysya Bank |
| 69. Palai Central Bank | |
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*Included in the Second Schedule during the year ended June 1953.

Reserve Bank of India
BALANCE SHEET AS AT 30TH JUNE 1953
ISSUE DEPARTMENT

Liabilities			Assets		
	Rs. a. p.	Rs. a. p.		Rs. a. p.	Rs. a. p.
Notes held in the Banking Dept.	38,46,75,664 0 0		A. Gold Coin and Bullion—		
Notes in circulation	11,36,31,73,635 0 0		(a) Held in India.	40,01,70,843 9 5	
Total notes issued.		11,74,78,49,299 0 0	(b) Held outside India.	Nil	
			Foreign Securities.	603,15,11,573 2 7	
			TOTAL A .		643,16,82,416 12 0
			B. Rupee Coin		91,75,51,574 3 10
			Government of India Rupee Securities.		439,86,15,308 10 2
			Internal Bills of Exchange and other Commercial Paper		Nil
Total Liabilities Rs.		11,74,78,49,299 0 0	Total Assets Rs.		11,74,78,49,299 0 0

Ratio of Total of A to Liabilities : 54.748 per cent.

BANKING DEPARTMENT

Liabilities			Assets		
	Rs. a. p.	Rs. a. p.		Rs. a. p.	Rs. a. p.
Capital paid up	5,00,00,000 0 0		Notes	38,46,75,664 0 0	
Reserve Fund.	5,00,00,000 0 0		Rupee Coin .	16,96,982 0 0	
Deposits :—			Subsidiary Coin.	5,16,753 12 7	
(a) Government.			Bills Purchased and Discounted :—		
(i) Central Government.	1,26,05,63,555 5 4		(a) Internal	26,60,000 0 0	
(a) Other Governments	18,46,19,240 13 8		(b) External	Nil	
(b) Banks	45,24,11,498 7 8		(c) Government Treasury Bills.	14,33,09,615 12 3	
(c) Others	57,26,34,686 12 4		Balances held abroad	111,60,98,026 7 0	
Bills Payable .	1,95,52,822 4 5		Loans and Advances to Governments	3,40,00,000 0 0	
Other Liabilities	14,68,37,014 12 11		Other Loans and Advances.	20,88,11,256 2 11	
			Investments .	79,80,39,756 6 0	
			Other Assets.	4,59,15,663 15 9	
Total Liabilities Rs.		2,73,66,18,718 8 4	Total Assets Rs.		2,73,66,18,718 8 4

*Includes Cash and Short term Securities.

INCOME		Rs.	A.	P.
Interest, Discount, Exchange, Commission, etc.		16,47,35,710	13	6
		16,47,35,710	13	6
EXPENDITURE				
Establishment		2,14,21,567	11	3
Directors' and Local Board Members' fees and expenses		66,158	2	0
Auditors' fees		22,500	0	0
Rent, Taxes, Insurance, Lighting, etc.		6,12,607	8	6
Law charges		53,851	0	5
Postage and Telegraph charges		1,69,698	4	9
Remittance of Treasure		16,96,158	1	6
Stationery, etc.		4,93,022	10	8
Security Printing—(Cheque, Note Forms, etc.)		78,86,260	4	3
Depreciation and Repairs to Bank's property		10,73,731	10	0
Agency charges		37,23,693	6	8
Contributions to staff and superannuation funds		59,200	0	0
Miscellaneous expenses		24,42,880	3	3
Net available balance		12,50,14,381	14	3
		16,47,35,710	13	6
Surplus payable to the Central Government		12,50,14,381	14	3
RESERVE FUND ACCOUNT				
By balance on 30th June 1953		5,00,00,000	0	0
By transfer from Profit and Loss Account		Nil		
TOTAL Rs.		5,00,00,000	0	0

Report of the Auditors

TO THE PRESIDENT OF INDIA

We, the undersigned Auditors of the Reserve Bank of India, do hereby report to the Central Government upon the Balance Sheet and Accounts of the Bank as at 30th June, 1953.

We have examined the above Balance Sheet with the Accounts, Certificates and Vouchers relating thereto of the Central Office and of the Offices at Calcutta, Bombay and Madras and with the Returns submitted and certified by the Managers of the other Offices and Branches, which Returns are incorporated in the above Balance Sheet, and report that where we have called for explanations and information from the Central Board such information and explanations have been given and have been satisfactory. In our opinion, the Balance Sheet is a full and fair Balance Sheet containing the particulars prescribed by, and in which the assets have been valued in accordance with, the Reserve Bank of India Act, 1934, and the Regulations framed thereunder and is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us, and as shown by the Books of the Bank.

S. B. BILLIMORIA AND CO.,
SASTRI AND SHAH, } Auditors.
P. K. GHOSH, }

The 23rd July, 1953.

J. N. AHUJA,
Chief Accountant.

B. RAMA RAU,
Governor.
N. SUNDERSAN,
Deputy Governor.
R. NATH,
Deputy Governor.

[No. F.3(52)-F1/52.]
S. G. BRAVE, Jt. Secy.

(Department of Economic Affairs)*New Delhi, the 1st September 1953*

S.R.O. 1669.—The following draft of an amendment in the Public Debt Rules, 1946, which it is proposed to make in exercise of the powers conferred by section 28 of the Public Debt Act, 1944 (XVIII of 1944), is published, as required by subsection (1) of the said section, for the information of all persons likely to be affected thereby, and notice is hereby given that the draft will be taken into consideration on or after the 12th October 1953.

Any objection or suggestion which may be received from any person with respect to the said draft on or before the date specified will be considered by the Central Government.

Draft Amendment

In rules 12 and 13 of the said rules for the words "six years" wherever they occur the words "three years" shall be substituted.

[No. F.8(70)B/52.]
H. S. NEGI, Dy. Secy.

(Department of Economic Affairs)*New Delhi, the 3rd September 1953*

S.R.O. 1670.—In exercise of powers conferred by Section 50 of the Reserve Bank of India Act, 1934 (II of 1934), the Central Government hereby appoint the following Auditors, as Auditors of the Reserve Bank of India for the year 1953-54, namely:—

1. Messrs. S. B. Billimoria & Co., 113, Esplanade Road, Bombay.
2. Messrs. Sastri & Shah, 15, Armenian Street, Madras.
3. Messrs. P. K. Ghosh & Co., 17, Mangoe Lane, Calcutta.

[No. F.3(28)-F.I/53.]

New Delhi, the 8th September 1953

S.R.O. 1671.—In exercise of the powers conferred by section 53 of the Banking Companies Act, 1949 (X of 1949), the Central Government, on the recommendation of the Reserve Bank of India, hereby declares that the provisions of sections 18 and 24 of the said Act, in so far as they relate to the liabilities in the 'Closed Fund' shall not apply to the Trinity Bank, Ltd., Tiruchirappalli.

[No. F.4(142)-F.1/53.]

N. C. SEN GUPTA, Dy. Secy.

MINISTRY OF FINANCE (REVENUE DIVISION)

CENTRAL EXCISE

New Delhi, the 12th September 1953

S.R.O. 1672.—In exercise of the powers conferred by Sections 6 and 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government hereby directs that the following further amendments shall be made in the Central Excise Rules, 1944, namely:—

In the said Rules—

1. After rule 16, the following rule shall be inserted namely:—

"16-A. Special Procedure for Unmanufactured Tobacco.—(1) Notwithstanding anything contained in rules 15 and 16, the Central Government may, by notification in the official Gazette, direct that tobacco shall not be cultivated in any area specified in the notification unless the following conditions are satisfied, that is to say;

(a) the grower has previously presented to the village officer of the village in which the grower resides, or to such other officer as may be specified in the notification, an application in the proper form, for a licence to cultivate tobacco in any area specified in the notification, and, if the grower so desires, to cure, such tobacco; and

(b) the licence fee prescribed in the notification, has been paid by the grower in cash, and a receipt for such application, and for such fee, has been obtained by him from the village officer, or such other officer.

(2) Where a notification is issued under sub-rule (1), it shall not be lawful for a grower to cultivate any tobacco in any area specified in the notification, or cure such tobacco, except after compliance with the provisions of that sub-rule.

(3) An application under sub-rule (1) shall be presented not later than a date notified by the Collector for each area, and each producing season, and any such application presented after the date so notified, shall be liable to be rejected.

(4) The possession of a receipt granted under sub-rule (1) by the village officer, or such other officer, shall be sufficient authority for the grower to cultivate, tobacco thereafter on the area specified in the application in respect of which the receipt is granted, and to undertake curing of such tobacco, after it has been harvested.

(5) The village officer or such other officer shall immediately send the application to the proper officer, who shall then issue the licence in the proper form to the grower when he next visits the grower's village.

(6) The village officer, or such other officer, shall dispose of the licence fee in such manner as may be directed by the Government of the State in which the village is situated."

2. After rule 181, the following rule shall be inserted, namely:—

"181-A. Certain provisions of this Chapter inapplicable to certain licences.—Nothing in the foregoing rules in this Chapter, except rules 178, 180 and 181, shall apply to licences granted to growers of tobacco under rule 16-A."

3. In Appendix I—

(a) in the table under the heading "Forms", after the entries relating to Central Excise Series No. 2, and under "Applications for Licence", the following shall be inserted, namely:—

Central Excise Series No.	Description of Form	Rule No.	Short Title.
2-A	Application for licence to cultivate (and cure) tobacco.	16-A.	T. G.-I

(b) After Form D-2 (Central Excise Series No. 2), the following form shall be inserted namely:—
CENTRAL EXCISE SERIES No. 2A

FORM T.G.-1

(For licensing of tobacco growers)

(Rule 16-A)

Range Tobacco season :
Circle
Village Year :

1. Name of tobacco grower :

2. Survey No. of Land :

3. Area to be planted with tobacco :

4. Nature of soil :

5. Irrigated or non-irrigated :

6. Variety of tobacco to be grown :

7. Expected yield :

8. Area planted with tobacco in the previous season :

9. Quantity of tobacco produced in the previous season :

Signature and Designation
of Village or other Officer.

Date

Village or other Officer's estimate of
yield of final crop:

Signature and Designation of
Village or other Officer.

Date

Range
Circle

FORM T.G.-1

(Application for licence to cultivate (and cure)
tobacco.
(Rule 16-A)

(Delete the letters and words not applicable)

*To

of Central Excises

(through the village or other officer)

Sir,

I/We residing at
Tehsil/Taluk District
request that I/we may be granted a licence to
grow (and cure) unmanufactured tobacco
during the season in the year 19 /
19 .

2. I/We hereby tender a licence fee of
Rs.

3. I/We undertake to comply with the
provisions of the Central Excise Rules, 1944,
and any orders issued thereunder.

4. I/We hereby declare that to the best
of my/our knowledge and belief the particulars
furnished in the Schedule overleaf are true and
complete.

Place

Date

*The Licensing Authority.

Range
Circle

FORM T.G.-1

(Application for licence to cultivate (and
cure) tobacco.
(Rule 16-A)

(Delete the letters and words not applicable)

*To

of Central Excises

(through the village or other officer)

Sir,

I/We residing at
Tehsil/Taluk District
request that I/we may be granted a licence to
grow (and cure) unmanufactured tobacco
during the season in the year 19 /
19 .

2. I/We hereby tender a licence fee of
Rs.

3. I/We undertake to comply with the
provisions of the Central Excise Rules, 1944
and any orders issued thereunder.

4. I/We hereby declare that to the best
of my/our knowledge and belief the particulars
furnished in the Schedule overleaf are true and
complete.

Place

Date

Signature(s) of the applicant(s)

The Licensing Authority.

SCHEDULE

1. Name of tobacco grower :
2. Survey No. of Land :
3. Area to be planted with tobacco :
4. Nature of soil :
5. Irrigated or non-irrigated :
6. Variety of tobacco to be grown :
- *7. Expected yield :
8. Area planted with tobacco in the previous season :
- Quantity of tobacco produced in the previous season :

Fee of Rs.	received.
------------	-----------

Signature and Designation of
Village or other Officer.

Date

Area actually planted

*Expected yield from the area actually planted

Licence granted.

.....of Central Excises.

Date

Signature(s) of the Applicant(s)

Date

*The estimate to be entered here shall not be less than the expected yield under normal conditions of cultivation of tobacco in the local area.

SCHEDULE

1. Name of tobacco growers:
2. Survey No. of Land :
3. Area to be planted with tobacco :
4. Nature of soil:
5. Irrigated or non-irrigated :
6. Variety of tobacco to be grown :
- *7. Expected yield :
8. Area planted with tobacco in the previous season :
9. Quantity of tobacco produced in the previous season :

Fee of Rs.	received.
------------	-----------

Signature and Designation of
Village or other Officer.

Date

Area actually planted

*Expected yield from the area actually planted :

Licence granted.

.....of Central Excises

Date

Signature(s) of the Applicant (s)

Date

*The estimate to be entered here shall not be less than the expected yield under normal conditions of cultivation of tobacco in the local area.

[No. 20.]

E. S. KRISHNAMOORTHY, Joint Secy.

CUSTOMS

New Delhi, the 12th September 1953

S.R.O. 1673.—In exercise of the powers conferred by section 23 of the Sea Customs Act, 1878 (VIII of 1878), the Central Government hereby exempts powdered Coral, unprepared, falling under item 5 of the First Schedule to the Indian Tariff Act, 1934 (XXXII of 1934), from the whole of the customs duty leviable thereon.

[No. 69.]

E. RAJARAM RAO, Joint Secy.

CENTRAL BOARD OF REVENUE

INCOME-TAX

New Delhi, the 8th September 1953

S.R.O. 1674.—In pursuance of sub-section (4) of Section 5 of Indian Income-Tax Act, 1922 (XI of 1922), the Central Board of Revenue direct that the following further amendments shall be made in its Notification No. 32-Income-Tax, dated the 9th November, 1946 namely:—

In the schedule appended to the said Notification under sub-head "VIII-Bihar and Orissa" for the existing Ranges and Income-tax Circles, the following Ranges and Income-tax Circles shall be substituted, namely:—

PATNA RANGE

1. Patna Circle, Patna.
2. Special Investigation Circle, Patna.
3. Special Circle, Patna.
4. Special Survey Circle, Patna.
5. Gaya Circle, Gaya.
6. Sahabad Circle, Arrah.
7. Monghyr Circle, Monghyr (excepting Begusarai and Khagaria sub-divisions of the district of Monghyr).
8. Bhagalpur Circle, Bhagalpūr (excepting Madhepura and Supaul sub-divisions of the district of Bhagalpur).

MUZAFFARPUR RANGE

1. Muzaffarpur Circle, Muzaffarpur.
2. Saran Circle, Chapra.
3. Champaran Circle, Motihari.
4. Purnea Circle, Purnea.
5. Darbhanga Circle, Lahariasari.
6. Monghyr Circle, Monghyr (excepting Sadar and Jamui sub-divisions of the district of Monghyr).
7. Bhagalpur Circle, Bhagalpur (excepting Sadar and Banka sub-divisions of the district of Bhagalpur).

RANCHI RANGE

1. Special Circle, Ranchi.
2. Salaries Circle, Ranchi.
3. Ranchi-Palamu Circle, Ranchi.
4. Manbhum Sadar Circle, Purulia.
5. Dhanbad Circle, Dhanbad.
6. Colliery Circle, Dhanbad.
7. Hazaribagh Circle, Hazaribagh.
8. Santhalparaganas Circle, Deoghar.
9. Special Survey Circle, Ranchi in respect of persons who have their principal place of business in, or reside in the district of Ranchi, Hazaribagh, Manbhum and Santhalparaganas.

CUTTACK RANGE

1. Cuttack Circle, Cuttack.
2. Special Circle, Cuttack.
3. Berhampur Circle, Berhampur.
4. Rayagada Circle, Rayagada.
5. Jharsuguda Circle, Jharsuguda.
6. Baripada Circle, Baripada.
7. Special Survey Circle, Ranchi in respect of persons who have principal place of business in, or reside in the district of Sambalpur, Sundargarh, Cuttack, Puri, Dhenkanal, Ganjam, Phulbani, Khundmal, Mayurbhanj, Balasore, Keonjhar, Koraput, Kalahandi and Bolangir-Patna.
8. Singhbhum Circle, Jamshedpur.

2. Where an Income-tax Circle stands transferred by this Notification from one Range to another, appeals arising out of assessments made in that Income-tax Circle, and pending immediately before the date of this notification before the Appellate Assistant Commissioner of the Range from which that circle is transferred to and shall on and from the date of this Notification be transferred to and dealt with by the Appellate Assistant Commissioner of Range, to which the said circle is transferred.

[No. 59.]

K. B. DEB, Under Secy.

MINISTRY OF COMMERCE AND INDUSTRY

New Delhi, the 12th September 1953

S.R.O. 1675.—In exercise of the powers conferred by Section 3 of the Essential Supplies (Temporary Powers) Act, 1946 (XXIV of 1946), the Central Government hereby directs that the following further amendment shall be made in the Cotton Textiles (Control) Order, 1948, namely:—

In the said Order, for clause 13 the following clause shall be substituted, namely:—

- “13(1) No person shall manufacture or cause to be manufactured any cloth containing any sizing or filling material or both of any description which exceeds in the aggregate 20 per cent. of the weight of the cotton in the cloth.

- (2) The total quantity of sizing or filling material of any description used by any producer in any month shall include not less than 33-1/3 per cent. tamarind kernal powder; and every producer who, in any month, fails to use at least such prescribed quantity of tamarind kernal powder as sizing or filling material shall be deemed to have contravened the provisions of this Order.
- (3) Nothing in sub-clause (2) above shall apply to any producer with respect only to that month in which he produces no cloth except cloth, the count of warp yarn in which, whether single or folded, is above 35s."

[No. 9(4)-CT(A)/53-7.]

S. A. TECKCHANDANI, Under Secy.

MINISTRY OF FOOD AND AGRICULTURE*New Delhi, the 2nd September 1953*

S.R.O. 1676.—In pursuance of the provisions of sub-clause (3) of clause 1 of the Foodgrains (Licensing and Procurement) Order, 1952, the Central Government hereby directs that the said Order shall come into force in the Andaman & Nicobar Islands on the 5th September, 1953.

[PYII-654(7).]

New Delhi, the 7th September 1953

S.R.O. 1677.—In pursuance of the provisions of sub-clause (3) of clause 1 of the Foodgrains (Licensing and Procurement) Order, 1952, the Central Government hereby directs that the said Order shall come into force in respect of gram [which has been added to the Schedule to the said Order by notification of the Government of India in the Ministry of Food and Agriculture No. PYII.CG.603(2)/53-III(1), dated the 23rd February, 1953] in the States of Punjab, Patiala and East Punjab States Union, Rajasthan, Ajmer, Madhya Bharat, Vindhya Pradesh, Bhopal and Bihar on the 12th September, 1953.

[No. PYII-652(28)/53.]

P. A. GOPALAKRISHNAN, Joint Secy.

(Agriculture)*New Delhi, the 7th September 1953*

S.R.O. 1678.—In pursuance of the provisions of Section 4(4) (ii) of the Indian Lac Cess Act, 1930 (XXIV of 1930), Dr. R. W. Aldis of M/s. Angelo Bros., Cossipore, Calcutta, has been renominated by the Bengal Chamber of Commerce to be a member of the Governing Body of the Indian Lac Cess Committee to represent the shellac manufacturing industry for a period of 3 years with effect from the 1st October, 1953.

[No. F.3-47/53-Com.I.]

F. C. GERA, Under Secy.

(Agriculture)*New Delhi, the 7th September 1953*

S.R.O. 1679.—In pursuance of the provisions of sub-section (h) of section 4 of the Indian Central Oilseeds Committee Act, 1946 (IX of 1946), the Central Government are pleased to nominate Shri N. K. Dani, President, Chattisgarh Consumers' Co-operative Society Ltd., Raipur (Madhya Pradesh) to be a member of the Indian Central Oilseeds Committee to represent the Co-operative movement, with effect from 1st April, 1953.

[No. 5-58/53-Com.I.]

R. L. MEHTA, Dy. Secy.

(Agriculture)

New Delhi, the 8th September 1953

S.R.O. 1680.—In pursuance of Clauses (i) and (k) of rule 4 of the General Grading and Marketing Rules, 1937 and in supersession of the notification of the Government of India in the late Ministry of Agriculture No. F.4-6/47-Co., dated the 16th/21st October, 1947, the Central Government hereby fixes with effect from the 1st September, 1953, Rupee one as the charge per bale for Agmark labels to be affixed to the bales of Sann Hemp.

[No. F.2-6/53-Dte.II.]

S. D. UDHRAIN, Under Secy.

MINISTRY OF HEALTH

New Delhi, the 2nd September 1953

S.R.O. 1681.—In pursuance of the provisions of clause (x) of sub-section (2) of section 5 of the Drugs Act, 1940 (XXIII of 1940), the undermentioned persons have been elected by the Council of the Indian Chemical Society as members of the Drugs Technical Advisory Board with effect from the 9th August, 1953.

- (1) Shri S. P. Sen, M.Sc., Manager, Bengal Chemical and Pharmaceutical Works Ltd., 94, Chittaranjan Avenue, Calcutta-12.
- (2) Dr. J. N. Ray, D.Sc., F.N.I., Sea Face Hotel, Marine Drive, Bombay-1.

[No. F.4-7/52-DS.]

New Delhi, the 7th September 1953

S.R.O. 1682.—In exercise of the powers conferred by sections 12 and 33 of the Drugs Act, 1940 (XXIII of 1940), the Central Government hereby directs that the following further amendment shall be made in the Drugs Rules, 1945, the same having been previously published as required by the said sections namely:—

In Schedule F to the said Rules, in 'Part I-Vaccines', under the heading '(A) Provisions Applicable to the Production of Bacterial Vaccines', after sub-paragraph (2) of paragraph 6, the following sub-paragraph shall be inserted, namely:—

"(3) In the case of Anti-typhoid-paratyphoid (T.A.B.) vaccine and cholera vaccine, the date of expiry of potency of the vaccine shall be indicated on the label on the container and on every other package or carton in which that container is packed. The date of expiry of potency of any such vaccine shall not be a date which is more than eighteen months after the date on which the vaccine was manufactured."

[No. F.1-17/51-DS.]

S. DEVANATH, Under Secy.

MINISTRY OF TRANSPORT**MERCHANT SHIPPING**

New Delhi, the 3rd September 1953

S.R.O. 1683.—In exercise of the powers conferred by sub-section (3) of section 26A of the Indian Merchant Shipping Act, 1923 (XXI of 1923), the Central Government hereby directs that the following further amendment shall be made in the Indian Merchant Shipping (Medical Examination) Rules, 1951, namely:—

In rule 14-A of the said rules for the word, letters and figures "1st September, 1953" the word, letters and figures "1st September, 1954" shall be substituted.

[No. 3-MS(13)/53.]

S. K. GHOSH, Dy. Secy.

PORTS

New Delhi, the 5th September 1953

S.R.O. 1684.—The following draft of certain amendments in the Kutch Minor Ports (Passenger Vessels) Rules, 1953 published with the notification of the Government of India in the Ministry of Transport No. 20-M(12)/50, dated the 26th March 1953, which it is proposed to make in exercise of the powers conferred by sub-section (1) of section 6 of the Indian Ports Act, 1908 (XV of 1908), is published as required by sub-section (2) of the said section for the information of all persons likely to be affected thereby and notice is hereby given that the said draft will be taken into consideration on or after the 20th October 1953.

Any objection or suggestion which may be received from any person with respect to the said draft before the date specified, will be considered by the Central Government.

Draft Amendments

In the said Rules—

1. In sub-rule (2) of rule 11 the Proviso shall be omitted.

2. For rule 22 the following rule shall be substituted, namely:—

“22. No licensed vessel shall go alongside a steamer for the purpose of allowing passengers to embark into, or disembark from, a steamer unless—

(i) the steamer is anchored, and

(ii) during the whole of the time occupied in such embarking or disembarking there is exhibited at the steamer's fore or main mast or in some other position in which it can most easily be distinguished, a signal as described below:—

(a) Signal between sunrise and sunset: The Rendezvous Flag (blue and white cheques: letter N of the Commercial Code).

(b) Signal between sunset and sunrise: A red light.”

3. Rule 23 shall be omitted.

[No. 20-M(12)/50.]

T. S. PARASURAMAN, Dy. Secy.

MINISTRY OF LABOUR

New Delhi, the 2nd September 1953

S.R.O. 1685.—In pursuance of clauses (a) and (c) of section 2 of the Industrial Employment (Standing Orders) Act, 1946 (XX of 1946) and in supersession of the notification of the Government of India in the Ministry of Labour No. L.R. 11(108), dated the 27th August, 1951, the Central Government hereby appoints the Chief Labour Commissioner (Central) to exercise the functions of an appellate authority under the said Act in all the territories to which the said Act extends in respect of industrial establishments under the control of the Central Government or a railway administration or in a major port, mine or oilfield and further, hereby, appoints each of the officers specified in column 1 of the Schedule hereto annexed to exercise the functions of a Certifying Officer under the said Act in respect of any of the aforesaid industrial establishments situated within the territorial limits specified in the corresponding entry in column 2 of the said Schedule:

Provided that the Regional Labour Commissioner (Central), Dhanbad, shall exercise the function of a Certifying Officer in relation to coal Mines in the State of West Bengal.

SCHEDULE

1 Designation of Officers	2 Territorial limits
1. Regional Labour Commissioner (Central), Kanpur.	The States of Uttar Pradesh, Delhi, Punjab, P.E.P.S.U., Bilaspur, and Himachal Pradesh.
2. Regional Labour Commissioner (Central), Calcutta.	The States of West Bengal (except Coal Mines), Tripura, Manipur and Assam.
3. Regional Labour Commissioner (Central), Bombay.	The States of Bombay, Saurashtra and Kutch.

1 Designation of Officers	2 Territorial limits
4. Regional Labour Commissioner (Central), Dhanbad.	The States of Bihar, Orissa, and Vin-dhya Pradesh and in Coal Mines in the State of West Bengal.
5. Regional Labour Commissioner (Central), Madras.	The States of Madras, Mysore, Tra-vancore-Cochin and Coorg.
6. Regional Labour Commissioner (Central), Nagpur.	The States of Madhya Pradesh, Hyderabad, Ajmer, Rajasthan, Madhya Bharat and Bhopal.

[No. L.R. 11(127)].

S.R.O. 1686.—In exercise of the powers conferred by section 4 of the Industrial Disputes Act, 1947 (XIV of 1947), the Central Government hereby directs that the following further amendments shall be made in the notification of the Government of India in the Ministry of Labour, S.R.O. No. 379, dated the 25th February, 1952, namely:—

In the Table annexed to the said notification—

(a) all the entries in columns 1 and 2 against serial No. 2 relating to the Regional Labour Commissioner (Central), Ajmer, shall be omitted and serial Nos. 3 to 26 shall be re-numbered as serial numbers 2 to 25 respectively;

(b) for the entry in column 2 against serial No. 2 as so re-numbered relating to the Regional Labour Commissioner (Central), Kanpur, the following entry shall be substituted, namely:—

“The States of Uttar Pradesh, Delhi, Punjab, Bilaspur, Patiala and East Punjab States Union and Himachal Pradesh”.

(c) for the entry in column 2, against serial No. 5, as so renumbered, relating to the Regional Labour Commissioner (Central), Nagpur, the following entry shall be substituted, namely:—

“The States of Madhya Pradesh, Hyderabad, Ajmer, Rajasthan, Madhya Bharat and Bhopal”.

[No. L.R.-1(201)].

ORDER

New Delhi, the 2nd September 1953

S.R.O. 1687.—Whereas the Central Government is of opinion that an industrial dispute exists between the employers in relation to the Punjab National Bank, Limited, and their workmen in respect of the matters specified in Schedule I and in column 3 of Schedule II annexed to this Order;

And whereas the Central Government considers it desirable to refer the dispute for adjudication;

Now, therefore, in exercise of the powers conferred by section 7 read with section 10 of the Industrial Disputes Act, 1947 (XIV of 1947), and in pursuance of the order of the Government of India in the Ministry of Labour No. S.R.O. 636, dated the 31st March, 1952, the Central Government hereby constitutes an Industrial Tribunal of which Shri Ram Kanwar, retired District and Sessions Judge, shall be the sole Member and refers to him the said dispute for adjudication.

SCHEDULE I

Absorption of Bharat Bank employees in the Punjab National Bank Ltd., and their service conditions.

SCHEDULE II

S. No. 1	Names of Workmen (2)	Nature of dispute (3)
1.	Shri Parshottam Das	Dismissal from service
2.	Shri Pateshwar Singh	Discharge from service
3.	Shri Swaram Singh	-do-
4.	Shri Dilip Singh	-do-
5.	Shri Pyarey Lal Varma	Termination of employment
6.	Shri Krishan Dev Shastri	Discharge from service.
7.	Shri Gauri Shankar Puri	Suspension from service.
8.	Shri Ascharaj Lal Budhija	Reduction in pay.
9.	Shri Gurbachan Singh	Withholding of allowance.
10.	Shri Ram Chand Kaker.	Termination of service.
11.	Shri Avinash Chander Thakur	Forfeiture of bonus and stoppage of increment.

1	2	3
12.	Shri Balraj Mall	Non-confirmation in service.
13.	Shri Ram Itwari	-do-
14.	Shri Jassi Ram	-do-
15.	Shri Malik Udho Das	Discharge from service.
16.	Shri Chander Bhan Bhatia	-do-
17.	Shri Purshottam Lal Syal	Confirmation in service.
18.	Shri Gurdas Mal	Withholding of annual increment.
19.	Shri Sarvan Dev Bhandari	Victimisation.
20.	Shri Ram Nath Sahal.	Imposing of fine.
21.	Shri Pran Nath Uppal	Withholding of increment.
		Stoppage of local allowance.
22.	Shri Om Prakash Sharma	Payment of compensation.
23.	Shri Ramjidas	Payment of full amount of efficiency allowance.
24.	Shri Khairati Lal Manga	Forced resignation from service.
25.	Shri K. D. Sharma	Withholding of bonus for 1948.
26.	Shri Rikhikesh Dhavan	Termination of services.
27.	Shri Shiv Charanlal Puri	Discharge from service.
28.	Shri Lal Chand Goyal	Withholding of increment.
29.	Shri Ramcharan	Discharge from service..
30.	Shri Ram Sewak Dubey	-do-
31.	Shri Bansi Lal	Confirmation as record keeper.
32.	Shri B. L. Srivastava.	-do-
33.	Shri Kripa Shankar.	-do-
34.	Shri Manohar Lal Booty	Confirmation in supervisor's grade.
35.	Shri N. K. Parao	Dismissal from service.
36.	Shri Chandrapal Gupta	Termination of employment.
37.	Shri Saran Dayal	Grant of increment and confirmation from earlier date.
38.	Shri Kaniyalal Burman	Termination of employment.
39.	Shri Sunderlal Chandna	Promotion to supervisor's post.
40.	Shri Hukam Chand	Payment of annual increment.

[No. LR.-100(98)].

N. C. KUPPUSWAMI, Dy. Secy.

New Delhi, the 2nd September 1953

S.R.O. 1688.—In exercise of the powers conferred by sub-section (1) of section 5 of the Mines Act, 1952 (XXXV of 1952), the Central Government hereby appoints the following officers to be Inspectors of Mines subordinate to the Chief Inspector of Mines namely:—

1. Shri K. V. Raghava Rao, Secretary, Mica Mines Labour Welfare Fund (Madras),
2. Mrs. Gogineni Sushila Devi, Assistant Labour Welfare Inspector,
3. Shri Basisth Narain Thakur, Assistant Welfare Inspector,
4. Shri K. V. Subbaramaiah, Junior Assistant Welfare Inspector,

[No. M-41(5)53].

New Delhi, the 8th September 1953

S.R.O. 1689.—In exercise of the powers conferred by Section 4 of the Mica Mines Labour Welfare Fund Act, 1946 (XXII of 1946), read with sub-rule (2) of rule 3 of the Mica Mines Labour Welfare Fund Rules, 1948, the Central Government hereby appoints Shri S. V. Ramana Sarma of Kanuparthipadu Village of Nellore Taluk, who is the Secretary of the Madras Mica Mines Employees' Association, as a member of the Mica Mines Labour Welfare Fund Advisory Committee for Madras constituted by the notification of the Government of India in the Ministry of Labour No. S.R.O. 652, dated the 27th April 1951, *vice* Shri Ganji Pitchayya.

[No. M-23(1)53.]

P. N. SHARMA, Under Secy.

New Delhi, the 3rd September 1953

S.R.O. 1690.—Whereas immediately before the Employees' Provident Funds Act, 1952 (XIX of 1952) became applicable to the Cement factories, specified in column 1 of the Schedule hereto annexed, owned and managed by the Associated Cement Companies, Limited, Bombay, there was in existence a Provident Fund common to the employees employed in the said factories to which the said Act applies and employees in the establishments of the quarries of the said Associated Cement Companies, Limited, specified in column 2 of the said Schedule, situated outside the premises of the said cement factories:

Now, therefore, in exercise of the powers conferred by section 3 of the Employees' Provident Funds Act, 1952 (XIX of 1952), the Central Government hereby directs that the provisions of the said Act shall with effect from the 1st October, 1953, also apply to the establishments of the said quarries of the Associated Cement Companies, Limited, in the Indian Union, situated outside the premises of said Cement factories.

SCHEDULE

1 Name of Cement Factory.	2 Description of quarries.
1. Kymore Cement Works, Kymore (Madhya Pradesh).	Kymore Limestone Quarry, P. O. Kymore via Jukehl (Central Railway).
2. Lakheri Cement Works, Lakheri (Rajasthan).	Lakheri Cement Works Limestone Quarries P. O. Lakheri (Western Railway).
3. Bhupendra Cement Works, Surajpur (Pepsu).	Malla Limestone Quarry, P. O. B. C. W. Surajpur, (District Kohistan).
4. Madukkarai Cement Works, Madukkarai (Madras).	Limestone Mines, Madhukkarai (Southern Railway) District Coimbatore.
5. Shahabad Cement Works, Shahabad (Hyderabad).	Shahabad Limestone, Quarry, Shahabad (Deccan) Central Railway (District Gulbarga).
6. Dwarka Cement Works, Dwarka (Saurashtra).	Marl Quarries, Dwarka.
7. Chaibasa Cement Works, Jhinkpani (Bihar).	Rajanka Limestone Quarries, Jhinkpani (District Singhbhum) (Eastern Railway).
8. Sevalia Cement Works, Sevalia (Bombay).	(i) Sevalia Cement Works Limestone Quarries, Sevalia (District Kaira). (ii) Kapadwanj Bauxite Mines P. O. Kapadwanj (District Kaira).
9. Khalari Cement Works, Khalari (Bihar).	Khalari Limestone Quarry, Khalari (District Palamau).
10. Kistna Cement Works, Kistna (Madras).	(i) Sitarampuram Limestone Mines, P. O. Piduguralla, (District Guntur). (ii) Kaza Limestone Mines, P. O. Mangalagiri.
11. Banmor Cement Works, Banmor (Madhya Bharat).	(i) Kallaras Limestone Quarry, P. O. Kallaras (District Morena). (ii) Semai Limestone Quarry, Semai (R. S.) (District Morena).

[No. PF.504(170).]

N. M. PATNAIK, Dy. Secy.

New Delhi, the 3rd September 1953

S.R.O. 1691.—In pursuance of section 17 of the Industrial Disputes Act, 1947 (XIV of 1947), the Central Government hereby publishes the following award of the Industrial Tribunal, Madurai, in the matter of complaints under section 33A of the said Act from Messrs. K. K. Kunghava, T. M. Ibrahim and P. M. Mammo, against Shri P. B. Rbdulrahiman Kutty, Stevedore, Cochin.

BEFORE THE CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL, MADURAI

PRESENT:—Sri E. Krishnamurthi, M.A., B.L., Industrial Tribunal at Madurai.

Wednesday, the 5th August 1953

INDUSTRIAL DISPUTES NOS. 127 (CENTRAL), 128 (CENTRAL) AND 129 (CENTRAL) OF 1953

INDUSTRIAL DISPUTE NO. 127 (CENTRAL) OF 1953

BETWEEN:

K. K. Kunghava, workman under P. B. Abdul Rahiman Kutty, Stevedore, Cochin.—*Petitioner.*

AND

Mr. P. B. Abdulrahiman Kutty, Stevedore, Cochin.—*Respondent.*

INDUSTRIAL DISPUTE NO. 128 (CENTRAL) OF 1953

BETWEEN:

T. M. Ibrahim, workman under P. B. Abdul Rahiman Kutty, Stevedore, Cochin.—*Petitioner.*

AND

Mr. P. B. Abdulrahiman Kutty, Stevedore, Cochin.—*Respondent.*

INDUSTRIAL DISPUTE NO. 129 (CENTRAL) OF 1953

BETWEEN

P. M. Mammo, workman, under P. B. Abdul Rahiman Kutty, Stevedore, Cochin.—*Petitioner.*

AND

Mr. P. B. Abdulrahiman Kutty, Stevedore, Cochin.—*Respondent.*

AWARD

By Order L.R.2(345)-I, dated 14th October 1942, of the Government of India, Ministry of Labour, New Delhi, the industrial dispute between certain employers Stevedore Labour and their workmen at Port Cochin, has been referred to this Tribunal for adjudication.

2. Pending adjudication, three petitions were filed viz., Industrial Disputes Nos. 1 of 1952, 4 of 1952 and 6 of 1952 by three petitioners viz., T. M. Ibrahim, K. K. Kunghava, and P. M. Mammo respectively, under Section 33-A of the Industrial Disputes Act.

3. It was contended on behalf of the petitioners, therein that they were permanently employed by the opposite party, P. B. Abdul Rahiman Kutty from 1948, and were discharged from service on the ground that they were not members of the Cochin Thuramukha Thozhilali Union, and that Section 33 of the Industrial Disputes Act had been contravened. The respondent, P. B. Abdul Rahiman Kutty raised various defences in the several petitions.

4. At the time of the enquiry, both parties settled their differences and entered into a compromise.

5. An award was passed in terms of the agreed settlement by order dated 21st May 1953.

6. The three petitioners mentioned above have filed the present petitions I.D. Nos. 127, 128 and 129 (Central) of 1953.

7. The contentions raised in their petitions are common, and the case of the petitioners is, that inspite of the award dated 21st May 1953, whereby their employer, the respondent, P. B. Abdul Rahiman Kutty agreed to give employment to them from 1st June 1953, they were not given any work at all, that no reasons were given for refusing them work, and that the respondent should be directed to provide the petitioners with employment and pay them adequate compensation from 1st June 1953.

8. The case for the respondent in the several petitions is, that the agreement arrived at in I.D. Nos. 1, 4 and 6 (Central) of 1952 was to the effect, that the petitioners were to be given employment on the usual terms which means and includes the usual practice of supplying workmen by the Cochin Thuramukha Thozhilali Union, that the petitioners were not sent by the Cochin Thuramukha Thozhilali Union which supplies labour, that the award passed on 21st May 1953 has not been disobeyed, that no compensation can be claimed, and that the Cochin Thuramukha Thozhilali Union should be impleaded as a party, as also the sub-contractor of the respondent O. P. Mammo.

9. The issues for decision are:—

1. Whether the respondent has disobeyed the terms of the award dated 21st May 1953 and contravened the provisions of Section 33 of the Industrial Disputes Act?
2. Whether the Cochin Thuramukha Thozhilali Union and sub-contractor O. P. Mammo should be impleaded as parties to these disputes?
3. Whether the petitioners are entitled to any and what compensation?
4. To what relief including costs are the petitioners entitled?

10. *Issue No. 1.*—These three petitions have all been jointly tried together at the request of parties, and the evidence recorded in I.D. No. 127 (Central) of 1953 has been treated as evidence in the other industrial disputes in I.D. Nos. 128 (Central) and 129 (Central) of 1953 also. (*Vide joint memo., dated 28th July 1953.*)

11. The industrial dispute between the employers of stevedore labour and their workmen at Port Cochin has been referred to this Tribunal for adjudication.

12. The three petitioners T. M. Ibrahim, K. K. Kunghava and P. M. Mammoo claimed to have been working as permanent stevedore labourers under the respondent P. B. Abdul Rahiman Kutty from about 1948. They alleged that their services were terminated and they filed I.D. Nos. 1, 4 and 6 (Central) of 1952 complaining against their discharge and claimed compensation for unlawful termination of service. At the time the said petitions came on for hearing both parties entered into a compromise dated 11th May 1953 and the same is in the following terms:—

“The employer concerned agree to give employment on usual terms to the petitioners as from 1st June 1953. The petitioners do not press their claim for compensation.

The 11th May, 1953

(Sd.) P. V. VARGHESE, *Advocate,*
for the employer.

(Sd.) G. A. GEORGE, *President,*
Cochin Port Cargo Labour Union,
for the petitioners.”

13. An award was passed in terms of the above agreement in the three petitions on 21st May 1953.

14. The three petitioners named above have filed the present petitions, I.D. Nos. 127, 128 and 129 (Central) of 1953 alleging, that their employer, the respondent, P. B. Abdul Rahiman Kutty, has not respected the award dated 21st May 1953, and has not given them employment from 1st June 1953 according to the terms of settlement agreed to by him. They pray that the respondent should be directed to give them employment and also to pay them compensation from 1st June 1953.

15. The contention on behalf of the respondent is, that he agreed to employ the three petitioners on the “usual terms” under the compromise, and that “usual terms” means and includes the usual practice of supplying workmen through the Cochin Thuramukha Thozhilali Union. It is alleged, that the employer wrote to the said union, that the latter should send three men less than the usual number in order that the present petitioners Ibrahim, Kunghava and Mammoo may be provided with work, that the Secretary of the Union replied that he was not bound by the award dated 21st May 1953, and that in these circumstances, no employment could be given to the three petitioners. Ex. M.1 is a copy of the letter dated 30th May 1953 alleged to have been sent by O. P. Mammoo to the Secretary of the Cochin Thuramukha Thozhilali Union, and he was requested, that while deputing gangs, the Secretary should send only three men less than the usual number on alternate occasions for work. Ex. M.2, dated 31st May 1953 is the reply of the Secretary, Cochin Thuramukha Thozhilali Union alleging, that his Union was not aware of any award passed by the Tribunal, that any such award passed behind their back was not binding, that 18 men in a gang would be sent as usual and not a single person, less, and that the existing practice should not be deviated from. It is thus contended that the words ‘usual terms’ refer to the practice of employing men through the Cochin Thuramukha Thozhilali Union, and that because the said Union refused to recognise the award and send up the three men less in a gang, the three petitioners could not be given employment. I am unable to uphold the contention on behalf of the respondent. Even in the counter filed in answer

to the petitions I.D. Nos. 1, 4 and 6 (Central) of 1952 the respondent did put forward the contention that with effect from 2nd February 1952, in terms of the award in I.D. 18 (Central) of 1951, the Cochin Thuramukha Thozhilali Union Mattancherry supplied the necessary workmen selected from among their enlisted members, that the respondent had no responsibility in the choice of the workmen, and that, therefore, the three petitioners were not entitled to any relief. The present defence is nothing but a repetition of the defence that was put forward in I.D.s No. 1, 4 and 6 of 1952. There is no doubt, that there is rivalry between the Cochin Port Cargo Labour Union of which the petitioners are members and the Cochin Thuramukha Thozhilali Union. It is no doubt true that what is termed an interim award was passed in I.D. No. 18 (Central) of 1951, and the same was published in the Gazette on 5th January 1952. But the said award is being questioned in the present proceeding, subsequent to the reference by the Central Government dated 14th October 1952. An application has also been filed to set aside the said award. I fail to see how the respondent can take shelter under the said award and also on the alleged practice of recruiting workmen through the Cochin Thuramukha Thozhilali Union when the award itself is being questioned. Apart from this such a contention is absolutely untenable in face of the compromise in I.D. Nos. 1, 4 and 6 (Central) of 1952. In the prior proceedings I.D. Nos. 1, 4 and 6 (Central) of 1952, the respondent did take his stand on the said interim award and also put forward the plea that he was under no obligation to employ the present petitioners because of the practice of recruitment through the Cochin Thuramukha Thozhilali Union. In spite of this contention he agreed to give employment to the three workmen as from 1st June 1953. This can only mean, that he deliberately gave up the defence based on the existence of the prior award and the alleged practice of recruitment of workmen only through the Cochin Thuramukha Thozhilali Union. It was because this defence was given up and because he agreed to give employment to the petitioners from 1st June 1953, they were persuaded to give up their claim for compensation. I fail to see how it is open to the respondent to turn down and contend that he is not bound by the terms of the prior award dated 21st May 1953 based on an agreement between the parties. The present defence based on the existence of the Interim Award is no longer open to him, and it must be deemed to have been deliberately given up in the prior proceedings I.D. Nos. 1, 4 and 6 (Central) of 1952. It has been held that the principle of *Res Judicata* is also applicable to cases of industrial disputes. When the respondent gave up the plea based on the Interim award and the alleged practice of recruiting labourers through the Cochin Thuramukha Thozhilali Union and only from among members of the said Union, by agreeing to give employment to the several petitioners as from 1st June 1953, he cannot be heard to say that the words 'usual terms' in the compromise mean and include the usual practice by which gangs of workmen were supplied through the Cochin Thuramukha Thozhilali Union. This plea is very convenient but absurd and untenable. It is not open to the employer to deny employment to the petitioners having agreed to give employment to them from 1st June 1953. The act of the employer in denying employment to them amounts to a flagrant violation of the award dated 21st May 1953 and he cannot be permitted to flout the orders of Court that were passed. There can be no doubt that the words 'usual terms' have reference only to the wages, hours of work etc., and never to the alleged method of employment only from among the members of the Cochin Thuramukha Thozhilali Union and through the said Union. The present petitioners are not bound in any manner by the correspondence in Ex. M.1 and M.2. The present defence based is merely an afterthought, resorted to with a view to deny employment to the petitioner on some pretext or other in spite of the solemn undertaking given on 11th May 1953. I find, that the words 'usual terms' do not mean and include the alleged practice of recruiting workmen through the Cochin Thuramukha Thozhilali Union or from among the members of that Union only, and that the said words have reference only to wages, hours of work etc., and that the defence based upon the interim award and the alleged practice of getting workers only through the Cochin Thuramukha Thozhilali Union is untenable and cannot serve the respondent.

16. Another contention that has been put forward on behalf of the respondent is that he was not directly employing labour, that one O. P. Mammoo his sub-contractor, was recruiting the labourers, and that in these circumstances also the respondent is not liable in any manner, and that the petitioners can have no claim against him. O. P. Mammoo is M.W. 1 and he says, that he is the stevedore sub-contractor of the respondent. He does not recruit coolies direct. He recruits them only through the Cochin Thuramukha Thozhilali Union. He does not consult Abdul Rahiman Kutty in all these matters. He does the work on his own responsibility. The 'usual terms' in the award mean that he gets the labourers, through the Cochin Thuramukha Thozhilali Union. The respondent cannot escape

liability by putting forward the pretext that labour was recruited by the sub-contractor O.P. Mammoo. It was the respondent who entered into the compromise and it was the respondent's duty to act according to the compromise, and give employment to the several petitioners from 1st June 1953. The theory that he was employing sub-contractor to recruit labourers who in turn got the labourers from the Cochin Thuramukha Thozhilali Union, and that therefore no responsibility must be attached to him, must be rejected.

17. The defence raised on behalf of the respondent in answer to the claim of the petitioners is unsustainable. The respondent has disregarded the orders of Court and has acted in violation of the award dated 21st May 1953 and has gone back on his own undertaking given on 11th May 1953. I find accordingly and hold that he has contravened the provisions of Section 33 and 33-A of the Industrial Disputes Act.

18. *Issue No. 2.*—The contention on behalf of the respondent that the Cochin Thuramukha Thozhilali Union and O. P. Mammoo should be impleaded as parties to the present proceedings is also untenable. They are neither necessary nor proper parties. The petitioners are not concerned with the arrangements that may exist between the respondent on the one hand and O. P. Mammoo and Cochin Thuramukha Thozhilali Union on the other. No relief is claimed against them, and it is not necessary that they should be impleaded as parties in order to give relief to the several petitioners. They are in no manner interested in the disputes between the petitioners on the one hand and their employer P. B. Abdul Rahman Kutty on the other. I find that O. P. Mammoo and the Cochin Thuramukha Thozhilali Union are not necessary or proper parties to these proceedings and they need not be impleaded.

19. *Issue No. 3.*—The next question is about the compensation to which the petitioners are entitled. Even in the prior proceedings, I.D. Nos. 1, 4 and 6 (Central) of 1952 the petitioners put forward their claim for compensation. Because the respondent promised to give them employment from 1st June 1953 they gave up their claim. Now their case is, that they ought to have been employed from 1st June 1953 by the respondent and that he having committed breach of the terms of the compromise, is bound to compensate them by giving them wages which they would have earned in the usual course if they were in employment from 1st June 1953. The petitioners have sworn that they were working under P. B. Abdul Rahman Kutty ever since 1948 and that they were not given employment from February 1952. W.W. 1 P. M. Mammoo deposes, that he would have had 20 days, day shift work and 20 days night shift work from 1st June 1953 to 23rd July 1953. The wages for day shift work of 8 hours is Rs. 4-8-0, and for night shift work of 8 hours the wages are Rs. 5-8-0. He would have earned about Rs. 90 from day shift work and Rs. 110 for night shift work. Altogether he would have earned Rs. 200 for the period till 23rd July 1953. To the same effect is the evidence of the other two petitioners, Kunjava and T. M. Ibrahim. They say that they would have got work on alternate days. It is explained in the evidence on behalf of the petitioners, that the respondent is a stevedore for the Malabar Steam-ship Company. T. M. Ibrahim says that there were steamers of the counter-party loading and unloading for 27 days in June. The evidence of M.W.1 O. P. Mammoo is, that the petitioners may each have got about 5 days or 5 nights work but not both for one month. He admits that he did stevedoring work from 1st June 1953 to 23rd July 1953. He cannot say on what days he did not do work. He admits that work was done in June and July on the Steamers Janaki, Jayaranga, Jayasur and Jagathamba. There may have been 38 days day shift work and 41 days night shift work. A number of gangs worked during all these days. It is perfectly clear that there was full employment of stevedore labour by the respondent throughout the month of June and in July till the 23rd, except for a few days. The petitioners could very well have been given employment as stevedore labourers. The respondent is at fault in not employing them from 1st June 1953 as per award.

20. The respondent's witness M.W.1 admits, that the rates of wages are as deposed to by the petitioners. He also says in cross examination that the petitioners would have got work once in three or four days. Taking the evidence as a whole and making allowance for exaggeration, there can be no doubt that each of the petitioners could have earned at least Rs. 75 per month. I estimate the loss suffered by each of the petitioners on account of non-employment at Rs. 75 per month.

21. It is clearly established by the evidence that in spite of the petitioners applying for employment in accordance with the terms of the compromise they were not employed. The petitioners have sworn to the same. O. P. Mammoo says that

all the three petitioners applied to him for appointment, but he said he could not take them unless they were sent by the Cochin Thuramukha Thozhilali Union. Therefore he refused to take them. It is perfectly clear, therefore, that in spite of the petitioners' applying to the respondent for employment they were not employed.

22. The petitioners have sworn that they did not have employment anywhere else till now. M.W.1 Mammoo has no doubt deposed that Kunghava obtained employment elsewhere in the Malabar Steamship Company in June and July. He does not know that the two others got employment elsewhere. I am not prepared to believe the evidence of M.W.1, O. P. Mammoo that Kunghava obtained employment elsewhere. I find that the three petitioners were unemployed from 1st June 1953, and that they are entitled to recover compensation at the rate of Rs. 75 per month for forced unemployment from the respondent. Each of the petitioners will, therefore, recover 150 rupees for the months of June and July. They will also recover at the rate of Rs. 75 for the periods subsequent to 1st August 1953 till they are given employment by the respondent.

23. *Issue No. 4.*—In the first place the petitioners are entitled to recover compensation as laid down above. Secondly, the question will have to be considered, if the respondent does not give employment to the three petitioners. It has been contended that it may not be possible to give employment because full work is available only in the monsoon period and the monsoon is coming to a close. In case the workers are not re-employed by the respondent they are entitled to relief. Each of the petitioners has sworn that he was working under the respondent P. B. Abdul Rahiman Kutty from 1948. This has not been controverted by O. P. Mammoo. Neither has the worker been cross-examined on this evidence. In my opinion at least three months wages should be paid as compensation by way of retrenchment relief at the rate of Rs. 75 per month.

24. With reference to costs, the petitions were necessitated by the conduct of the respondent in refusing employment in spite of his own agreement and in spite of the orders of Court. He is bound to pay costs to each of the petitioners.

25. In the result an award is passed in each of the disputes as follows:—

I. Each of the respective petitioner—

- (1) shall recover from the respondent and the respondent shall pay to him an amount of Rs. 150 towards compensation for forced unemployment for the months of June and July 1953.
- (2) shall further recover from the respondent who shall be bound to pay the same to him, a further amount of wages at the rate of Rs. 75 per month for the period from 1st August 1953 till the date on which employment is given to the said petitioners.
- (3) shall be given employment within 15 days of the date of publication of this award in the official Gazette, and each of the said petitioners shall report to the respondent within the said period for employment.
- (4) In the event of the respondent failing to give employment to the petitioners on such application being made to him each of the petitioners shall be entitled to receive and the respondent shall pay him Rs. 225 by way of retrenchment relief.

II. Each of the petitioners shall recover from the respondent who shall pay him Rs. 25 by way of costs of this enquiry.

26. All the said amounts directed to be paid by the respondent shall be paid by him to the several petitioners within a month from the date of the publication of this Award.

27. An award is passed accordingly.

Dated at Tiruchirapalli Camp, this the 5th day of August 1953.

(Sd.) E. KRISHNAMURTHI,
Industrial Tribunal at Madurai.

List of Witnesses Examined

For Workers—

- W.W.1—P. M. Mammoo.
- W.W.2—K. K. Kunghava.
- W.W.3—T. M. Ibrahim.

For the Employer—

- M.W.1—O. P. Mammoo.

*List of Documents marked**For the Workers—Nil.**For the Management—*

Ex. M.1—Letter dated 30th May 1953 (copy) to the Secretary, Cochin Thuramukha Thozhilali Union, Cochin, from O. P. Mammoo.

M.2—Reply dated 31st May 1953 by the Secretary, Cochin Thuramukha Thozhilali Union to Mr. O. P. Mammoo.

(Sd.) E. KRISHNAMURTHI,
Industrial Tribunal at Madurai.

[No. L.R.2(345)/III.]

S.R.O. 1692.—In pursuance of section 17 of the Industrial Disputes Act, 1947 (XIV of 1947), the Central Government hereby publishes the following award of the Industrial Tribunal, Bombay, in the matter of a complaint under section 33A of the said Act from Shri Vithal Yeshwant Bagul, ex-employee of the Bombay Port Trust, Bombay.

BEFORE MR. S. H. NAIK, INDUSTRIAL TRIBUNAL, BOMBAY

COMPLAINT (IT-CG) No. 2 of 1953

IN

REFERENCE (IT-CG) No. 2 of 1952

Vithal Yeshwant Bagul—*Complainant.*

Versus

The Bombay Port Trust, Bombay—*Opponent.*

In the matter of a complaint under section 33A of the Industrial Disputes Act, 1947.

APPEARANCES:

Mr. S. S. Kavalekar for the Complainant.

Mr. S. D. Nariman for the Opponent.

AWARD

This is a complaint under section 33A of the Industrial Disputes Act, 1947. The complainant has been serving as a clerk in the Deputy Conservator's Department under the Port Trust since 1945. He is a member of the Bombay Port Trust Staff Union and he says that he is also a member of the Managing Committee of the Union. He alleges that in order to harass and victimise him on account of his trade union activities the Port Trust authorities used to grant him leave without pay whenever he applied for leave and refuse to grant him casual leave, earned leave or sick leave although such leave was due to him. The authorities used to grant the benefit of such leave to other Port Trust employees. He states further that when he applied for leave on a sectional holiday the authorities refused to grant him such leave in spite of a clear direction by the Chairman that those who avail themselves of sectional holidays should be treated as being on casual leave on those days. He was fined half a day's pay for attending late on the said sectional holiday due to transport difficulties. He went in appeal to the Chairman against the order of fine but the Chairman refused to interfere with the order passed. A representation made to the authorities through the Staff Association did not bring in any good result.

2. On the 22nd May 1953 the authorities sent a letter to the complainant informing him that his increment had been withheld for 3 months for his alleged unsatisfactory work and misconduct without holding any enquiry as to those charges. The complainant alleges that the Port Trust authorities suddenly terminated his services with effect from the 10th June 1953 without giving any reasons therefor. He has therefore filed the present complaint praying for reinstatement and other consequential reliefs.

3. Mr. Nariman appearing on behalf of the Port Trust has raised a preliminary objection regarding my jurisdiction to entertain the present complaint. He has asked me to give a decision on this preliminary objection and to proceed further to hear the complaint only if I find in favour of the complainant. Mr. Kavalekar who appears for the complainant has no objection to do so. Arguments were

addressed on behalf of both the parties on the above preliminary issue and I now proceed to record my finding on the same.

4. The Central Government referred the industrial dispute between the Bombay Port Trust and its employees to me for adjudication (Ref. IT-CG No. 2 of 1952) under Order No. LR.2(305), dated 23rd July 1952. Although the order states that the dispute was between the Bombay Port Trust, on the one hand, and its employees, on the other, it is quite clear from the demands referred to in the Schedule annexed to the order of reference as also the copies of the order sent to the several persons and authorities that the dispute concerned the employees of the Port Trust in the Engineering Department. I have stated so in my award in the said reference. It was also conceded at the hearing of that reference that the dispute therein concerned the employees in the Engineering Department. The statement of claim put in by the Union in the said reference will also show that the dispute relates to the demands made by the employees in the Engineering Department. The Central Government had referred to me for adjudication another dispute between the Port Trust and its shore labourers [Vide Ref. (IT-CG) No. 1 of 1952]. Therein also Government, in its order of reference, had stated vaguely that the dispute related to the demands made by the employees of the Port Trust. The Port Trust has got several departments and several sections of labour under it. The nature of work done by the employees in the different departments and sections of labour materially differs in its volume and nature. In the nature of things, therefore, the employees under the several departments could raise disputes concerning demands pertaining to them alone. Otherwise, there was no necessity for the employees in the Engineering Department as also the shore labourers to raise different disputes and have separate references made. The demands made in the Reference (IT-CG) No. 2 of 1952 under which this proceeding has been started could as well have been included in Reference (IT-CG) No. 1 of 1952 if it was the intention of the parties to both the references as well as of Government that the reference in IT-CG No. 2 of 1952 should cover all the employees of the Port Trust.

5. The complainant is admittedly a clerk serving in the Deputy Conservator's Department, whereas the reference under which the present proceeding has been started was made on behalf of the employees of the Engineering Department of the Port Trust. Although the complainant is an employee of the Port Trust he has nothing to do with the employees of the Engineering Department at whose instance the reference was made. Neither the complaint nor the employees in his department raised any dispute. It cannot therefore be said that the complainant is a "workman concerned in the dispute" within the meaning of section 33 of the Industrial Disputes Act.

6. The test to be applied in such a case, as laid down by the Labour Appellate Tribunal in the case of Eastern Plywood Mfg. Co. Ltd., and Eastern Plywood Mfg. Workers' Union (1952 Labour Law Journal Vol. I, p. 628), is whether a settlement arrived at or an award made in the reference in question would bind the present complainant under section 18 of the Industrial Disputes Act, 1947. There can be no doubt that the award in the said reference will not be binding on the employees in the Deputy Conservator's Department including the complainant. If it is held that it is binding on all the employees of the Port Trust, irrespective of the department to which they belong, the award in the present reference will also be binding on the employees concerned in Ref. IT-CG No. 1 of 1952 because they too are employees of the Port Trust. In that case two different awards, one having no connection with the other, will be binding upon the same set of employees which is apparently an awkward and absurd result. It is quite clear that the award in the present reference cannot be binding on the employees concerned in Reference (IT-CG) No. 1 of 1952. If so, it follows that the award in Reference (IT-CG) No. 2 of 1952 will not be binding on the present complainant.

7. Mr. Kavalekar who appeared on behalf of the complainant relied on two decisions one of which is the decision of Mr. H. K. Chaudhuri in Rohtas Industries Ltd. vs. Mr. K. N. Vyahuta (1953 Labour Law Journal, Vol. I, p. 120) and the other is the decision of the Labour Appellate Tribunal in the Eastern Plywood Manufacturing Co's case referred to above. In the case of Rohtas Industries Ltd., all the workmen collectively were parties to a dispute, the subject matter of which was of general interest, namely, profit sharing bonus for the year 1950-51. The principle for determination of the question of incentive and production bonus payable to workmen in all the plants and establishments of the Rohtas Industries Ltd., and the monthly supply of soft coke and firewood to workmen at certain concessional rates was an issue common to all the workmen concerned in the dispute. It did not therefore matter whether one union which represented a section of the workmen appeared in support of the dispute or the other which represented another section of the workers, appeared in support thereof. The

facts in the Rohtas Industries' case therefore can be well distinguished from the facts of the present case.

8. In the case of Eastern Plywood Manufacturing Co., the dispute was a collective one raised by all the workmen of that Company. The dispute originally related to the discharge of 13 workmen but during the pendency of the dispute the Company discharged 3 more workmen. It was held that the discharge of these three workmen was in contravention of the section 33 of the Industrial Disputes Act. The Labour Appellate Tribunal applied the test whether the award made or the settlement arrived at in the dispute would be binding on the three workmen discharged later on and they came to the conclusion that it would be binding on them. It is clear therefore that this authority can as well be distinguished from the facts of the present case.

9. In the result the complaint fails and is therefore dismissed.

(Sd.) S. H. NAIK,
Industrial Tribunal.

(Sd.) K. R. WAZKAR, *Secretary*.
Bombay, the 20th August 1953.

[No. LR.2(305).]

New Delhi, the 5th September 1953

S.R.O. 1693.—In pursuance of section 17 of the Industrial Disputes Act, 1947 (XIV of 1947), the Central Government hereby publishes the following award of the Industrial Tribunal, Madurai, in the matter of complaints under Section 33A of the said Act from Messrs. K. C. Kuriya, C. A. Lorange, K. O. Devasi and others, against Messrs. Peirce Leslie and Company, Fort Cochin.

BEFORE THE CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL, MADURAI

PRESENT:—Sri E. Krishnamurthi, M.A., B.L., Industrial Tribunal at Madurai.

Wednesday, the 5th August 1953

Industrial Disputes Nos. 19 (Central) of 1953, 20 (C) of 1953, 23 (C) of 1953, 26 (C) of 1953, 27 (C) of 1953, 29 (C) of 1953, 31 (C) of 1953, 32 (C) of 1953, 33 (C) of 1953, 35 (C) of 1953, 36 (C) of 1953, 37 (C) of 1953, 38 (C) of 1953, 40 (C) of 1953, 42 (C) of 1953, 43 (C) of 1953, 44 (C) of 1953, 45 (C) of 1953, 46 (C) of 1953, 48 (C) of 1953, 49 (C) of 1953, 50 (C) of 1953, 51 (C) of 1953, 52 (C) of 1953, 53 (C) of 1953, 54 (C) of 1953, 55 (C) of 1953, 56 (C) of 1953, 57 (C) of 1953, 58 (C) of 1953, 59 (C) of 1953, 60 (C) of 1953, 61 (C) of 1953, 62 (C) of 1953, 63 (C) of 1953, 67 (C) of 1953, 68 (C) of 1953, 69 (C) of 1953, 71 (C) of 1953, 72 (C) of 1953, 73 (C) of 1953, 74 (C) of 1953, 75 (C) of 1953, 76 (C) of 1953, 77 (C) of 1953, 79 (C) of 1953 and 81 (C) of 1953.

INDUSTRIAL DISPUTE No. 19 (CENTRAL) OF 1953

BETWEEN

K. C. Kuriya, Kothuruthy, Thevara, head-load labourer under Peirce Leslie & Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 20 (CENTRAL) OF 1953

BETWEEN

C. A. Lorange, Palluruthy, Cochin, head-load labourer under Peirce Leslie & Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 23 (CENTRAL) OF 1953

BETWEEN

K..O. Devasi, Palluruthy, Cochin, head-load labourer under Peirce Leslie & Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 26 (CENTRAL) OF 1953

BETWEEN

Lonan Vakko, Manassari, head-load labourer under Peirce Leslie and Company, Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 27 (CENTRAL) OF 1953

BETWEEN

K. A. Raghavan, Palluruthy, Cochin, head-load labourer, under Peirce Leslie & Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 29 (CENTRAL) OF 1953

BETWEEN

P. K. Chandran, Palluruthy, Cochin, head-load labourer, under Peirce Leslie & Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 31 (CENTRAL) OF 1953

BETWEEN

Thamman Chandi, Palluruthy, Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 32 (CENTRAL) OF 1953

BETWEEN

K. V. Krishnan, Moolamkuzhi, Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 33 (CENTRAL) OF 1953

BETWEEN

P. K. Lakshmanan, Koovappadam, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 35 (CENTRAL) OF 1953

BETWEEN

M. P. Joseph, Veli, Fort Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 36 (CENTRAL) OF 1953

BETWEEN

K. O. Narayanan, Veli, Fort Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 37 (CENTRAL) OF 1953

BETWEEN

B. Mariyyan, Kappalandi Road, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 38 (CENTRAL) OF 1953

BETWEEN

Antony Verghese, Pandikkudy, Mattancherry, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 40 (CENTRAL) OF 1953

BETWEEN

K. R. Antony, Pandikkudi, Mattancherry, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 42 (CENTRAL) OF 1953

BETWEEN

T. P. Peru, Menthara, Fort Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 43 (CENTRAL) OF 1953

BETWEEN

K. Arumukam, Panayapilli, Mattancherry, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents* and Company, Fort Cochin—*Petitioner*.

INDUSTRIAL DISPUTE No. 44 (CENTRAL) OF 1953

BETWEEN

P. K. Paramo, Ochamthuruthi, Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 45 (CENTRAL) OF 1953

BETWEEN

A. M. Thangappan, Thoppumpady, Mattancherry, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 46 (CENTRAL) OF 1953

BETWEEN

O. K. Dhamodharan, Mattancherry, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 48 (CENTRAL) OF 1953

BETWEEN

P. V. Joseph, Kumbalangi, Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 49 (CENTRAL) OF 1953

BETWEEN

P. J. Panlos, Ernakulam, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 50 (CENTRAL) OF 1953

BETWEEN

P. K. Kesavan, Palluruthy, Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND -

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 51 (CENTRAL) OF 1953

BETWEEN

Velu Madhavan, Palluruthy, Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 52 (CENTRAL) OF 1953

BETWEEN

C. V. Karunan, Palluruthy, Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 53 (CENTRAL) OF 1953

BETWEEN

P. S. Pappan, Kumbalangi, Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 54 (CENTRAL) OF 1953

BETWEEN

P. T. Xavier, Palluruthy, Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 55 (CENTRAL) OF 1953

BETWEEN

K. O. Pushkaran, Veli, Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 56 (CENTRAL) OF 1953

BETWEEN

P. P. Kakko, Palluruthy, Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 57 (CENTRAL) OF 1953

BETWEEN

P. C. Kakki, Mundam Veli, Fort Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 58 (CENTRAL) OF 1953

BETWEEN

A. F. James, Veli, Fort Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 59 (CENTRAL) OF 1953

BETWEEN

P. N. Prabhakaran, Palluruthy, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE NO. 60 (CENTRAL) OF 1953

BETWEEN

P. P. Shavaro, Perumpadappo, Palluruthy, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 61 (CENTRAL) OF 1953

BETWEEN

K. R. Sreedharan, Palluruthy, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 62 (CENTRAL) OF 1953

BETWEEN

P. A. Lakshmanan, Nazereth, Mattancherry, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 63 (CENTRAL) OF 1953

BETWEEN

V. R. Francis, Veli, Fort Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 67 (CENTRAL) OF 1953

BETWEEN

V. P. Peter, Pandikkudi, Mattancherry, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 68 (CENTRAL) OF 1953

BETWEEN

N. C. Antho, Palluruthy, Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 69 (CENTRAL) OF 1953

BETWEEN

P. M. Pensiko, Nezerath, Mattancherry, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 71 (CENTRAL) OF 1953

BETWEEN

C. V. Anthony, Mattancherry, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 72 (CENTRAL) OF 1953

BETWEEN

C. V. Joseph, Mulla Vallapp, Fort Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 73 (CENTRAL) OF 1953

BETWEEN

Periyathori Augustin Berno, Moolamkuzhi, Mattancherry, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 74 (CENTRAL) OF 1953

BETWEEN

P. P. Lasar, Pandikkudi, Mattancherry, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 75 (CENTRAL) OF 1953

BETWEEN

C. J. Thomas, Kunnumpuram, Fort Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 76 (CENTRAL) OF 1953

BETWEEN

V. R. Josa, Pandikkudi, Mattancherry, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 77 (CENTRAL) OF 1953

BETWEEN

George Josa, Nazerath, Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 79 (CENTRAL) OF 1953

BETWEEN

Ouseph Kakki, Nazareth, Mattancherry, head-load labourer, under Peirce Leslie Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

INDUSTRIAL DISPUTE No. 81 (CENTRAL) OF 1953

BETWEEN

K. K. Gangadharan, Palluruthy, Cochin, head-load labourer, under Peirce Leslie and Company, Fort Cochin—*Petitioner*.

AND

The management of Peirce Leslie and Company, Fort Cochin—*Respondents*.

AWARD

By Order No. L.R.2(345)/I, dated 14th October 1952, of the Government of India, Ministry of Labour, New Delhi, the industrial dispute between certain employers of stevedore labour and their workmen at Port Cochin, has been referred to this Tribunal for adjudication.

2. Pending adjudication, the several petitions referred to above have been filed by several petitioners, against the common respondent Messrs. Peirce Leslie and Company, Limited, Fort Cochin.

3. The contentions raised by the several petitioners are all common and practically the same language is used in the petitions.

4. The case for the petitioners is, that they were employed under the respondent as head-load labourers in the Willingdon Island Godown, and that they had been working there from a number of years past, that each of them was being paid on a piece rate basis, that the respondent recruited 25 new workers from 22nd June 1953 onwards, that on this account the wages earned by the several petitioners decreased, that the respondent is guilty of introducing a change in the conditions of service during the pendency of the industrial dispute and that therefore steps should be taken against the employer for violating the conditions of service, and that the *status quo* should be restored.

5. The respondent has raised identical contentions in the several petitions. They are, that no head-load labour was ever engaged by the respondent, till 22nd October 1952, as till that date all labour was being engaged through contractors, that since that date the contractor was eliminated, that work was being given to the several workmen only on a casual basis, that there was no guarantee regarding the quantum of work or earnings, that it was usual to employ a large number of workmen during the monsoon period, when the port work was in full swing, that exigencies of work require extra men, that the petitioners cannot complain of any reduction of earnings, that there has been no change in the conditions of service, and that Section 33 of the Act has not been contravened in any manner.

6. In the rejoinder filed on behalf of the petitioners it is alleged, that because the workers were recruited on a piece rate basis the recruitment of new workers had adversely affected their earnings.

7. The following issues arise for determination:—

1. Whether the several petitioners were employed as head-load workers as permanent workmen under the respondent and from a number of years past?
2. Whether there is a change in the conditions of service as contended on behalf of the petitioners?
3. Whether there is a contravention of Section 33 of the Industrial Disputes Act?
4. To what relief, if any, are the petitioners entitled?
5. What orders should be made regarding costs?

8. *Point No. 1.*—These petitions have been filed under Section 33-A of the Industrial Disputes Act, pending adjudication of the main dispute I.D. No. 18 (Central) of 1951 which arises between the employers of stevedore labour and their workmen in Port Cochin.

9. These petitions have all been tried together jointly at the request of parties and the evidence is common in all the disputes. (*Vide* joint memo. dated 28th July 1953).

10. The several petitioners claim, that they were employed as head-load labourers from a number of years past under the respondent Messrs. Peirce Leslie and Company, and that their employer changed their conditions of service for the worse.

11. On behalf of the respondent the first contention that has been raised is, that they never used to engage head-load labour directly till 22nd October 1951, as till the said date all labour engaged used to be employed through contractors. That this is so, cannot be disputed on the evidence. W.W.1 Thangappan says that he has been in continuous employment of the company during the past twelve years. He however, admits that there was a moopan called Abdulrahiman Kutty, but from the last 2 years he is not in the company. The documents Exhibits M.1 and M.2 prove, that a contract was entered into in respect of employment of head-load labourers eliminating the contractors. Obviously, prior to the date of Exhibits M.1 and M.2, the labourers were those of the contractor. On his being eliminated, the labourers became direct employees of Messrs. Peirce Leslie and Company Limited. The evidence of Mr. P. C. Mathew, M.W.1 is, that his company is having head-load workmen working in the shipping department in the Willingdon Island, and that they are directly under the Company since 22nd October 1951. This evidence represents the truth. I find that the several petitioners are direct employees of the Company only from 22nd October 1951, and that they were not employees of the Company prior to that date.

12. *Issue No. 2.*—The next question is whether there has been a change in the conditions of service to the prejudice of the petitioners as alleged on their behalf. Their case is, that they are being paid on a piece rate basis, that their earnings depend on the quantum of work available, that new workers were recruited by the respondent from 22nd June 1953, that on account of this their earnings have fallen, and that therefore there is an alteration in the conditions of service. A number of petitioners W.Ws.1 to 4 have been examined. They depose, that the allegations in their petitions are correct, and that they have suffered loss of earnings on account of the employment of the 25 new hands. The evidence of Mr. Mathew is, that in fact in all 25 new men were engaged because goods were not moving on account of shortage of men. Consequently they had to pay heavy demurrage, wharfage, and transit dues needlessly. Exhibit M.35 is a correct statement of the demurrage paid. It is therefore admitted that in fact 25 new men were engaged, as contended on behalf of the petitioners.

13. The point for determination is, whether the employment of these 25 new extra workers amounts to change in the conditions of service of the several petitioners. The case for the petitioners is, that they are all permanent workmen in continuous service from a number of years past, that only this year new workers were recruited from 22nd June 1953, and that because of the employment of these workers the employment given to the petitioners has decreased, and their remuneration has also decreased. They further say that till the new men were employed they were each of them getting about Rs. 32 per week. Because of these new workmen the earnings have fallen to Rs. 24 per week.

14. On a consideration of the entire circumstances and the evidence, I am of opinion, that there is no alterations in the conditions of service, that the present petitions are misconceived, and that the grievance of the petitioners is more imaginary than real. In the first place, as between the employer and the employee, generally speaking the conditions of service are those embodied in a contract, or guaranteed by statute. Obviously, the only agreement, that can be treated as a contract between the parties with reference to condition of service is what appears from Exhibits M.1 and M.2. There is nothing therein to indicate, that there is a guarantee of a particular amount as wage per week or per month. Neither is there any guarantee about the quantum of work to be given to each workmen. As per the said contract, the middlemen was eliminated and the rate of wages for the workmen was fixed, and so also the hours of work. There is a schedule of rates attached to the contract. The workers on their part agree to maintain the out-turn of work they were maintaining prior to the commencement of the dispute in May 1951. It is perfectly clear, that there is no contract or guarantee about the quantum of work or earnings, in the agreement entered into with the petitioners. There is no restriction on the number of men to be employed by the respondent as head-load labourers. In the above circumstances, I fail to see how the present petitions are sustainable.

15. Secondly, it is proved on the evidence, that the employment of the new men became inevitable on account of increased volume of work, which could not be handled by the petitioners. The Cochin Thuramukha Thozhilali Union which was requested to supply labourers did not supply enough men in spite of their promise. The various letters that have been filed on behalf of the respondent, Ex. M.1 to M.14, fully bear out the truth of the contention on behalf of the respondent. The evidence of Mr. Mathew is, that he felt the necessity for employing more men because of the increase in the quantity of work. The petitioners could not cope up with the work on hand. There was no bias in the matter of recruitment of workers. His further evidence is, that his company lost two constituents, because work was not done quickly and demurrage and other kinds of charges had to be incurred. He further says, that the old workers were about 86 in number and this is the full strength. Normally, about 70 will be the average attendance of the old workers. These workers were not able to cope with the increased quantity of work. Therefore, 25 men were taken in, as at least one hundred men were necessary normally to carry on the work. In this connection, the evidence of W.W.1 Thangappan is, that the company put up a notice that the number of men working was insufficient and that fresh men should be supplied. In cross examination, this witness stated, that 25 extra men were taken on 18th June to the company, but they were not employed. This really gives an index as to the truth, and it is clear from the above evidence that in fact there was need for employment of extra men, because the several petitioners were not able to manage the increased work. The evidence of W.W.2 on behalf of the petitioners, that they could have done the work is not of any value, and cannot be believed. I find, that there was increased work from June 1953, that the several petitioners and the old workers were not able to cope with the same, that therefore it became a matter of inevitable necessity to employ more men, that otherwise the company was in danger of suffering heavy loss, that already the company had suffered by being obliged to pay demurrage and other dues, that the employment of the 25 new men from 22nd June 1953 is perfectly justified, and that the several petitioners cannot take exception to the same.

16. Thirdly, the contention on behalf of the workers, that their earnings have fallen by reason of the employment of these 25 men, and that therefore there is an alteration in their conditions of service, is also untenable. The evidence of Mr. Mathew is, that the figures in Exhibit M.36 show the respective earnings of the old workers i.e., the petitioners and the new men. The pencil entries show the earnings of the corresponding weeks in the previous year. He deposes that the earnings have gone up this year. The weekly average in this year is about Rs. 23 and odd. The old workers have been earning something more, i.e., about Rs. 30 a week. During the monsoon months, there is more work and the earnings are more. The evidence of W.W.1 Thangappan is, that unless he looks into the accounts he cannot say if he got Rs. 30-5-10 for the week commencing 16th July 1953. In the week in which the petitions were filed the petitioners may have got about Rs. 30. It may be that he may have got Rs. 39-12-0 in the succeeding week. Unless he looks into the accounts he cannot say, that if in the 12 months preceding 22nd June 1953 he earned on an average only Rs. 23-5-5. On the evidence his complaint, that because of the employment of new men his earnings fell to Rs. 22-12-0 per week is without foundation. When it is admitted that in the preceding year prior to 20th June 1953 the average was about Rs. 23, it is not possible to hold that there is any change to the prejudice of the workmen in the matter of earnings, by the employment of new men when even thereafter they

have earned not less than Rs. 24 per week. Taking the average earnings, it cannot be said, that the petitioners are getting anything less, than what they have usually been getting. Obviously, the earnings vary from week to week depending upon the quantity of work and the kind of cargo handled. There are different rates for different kinds of cargo. It is likely that the workmen are not anxious to handle cargo for which lower rates prevail. On a review of the evidence, I am of opinion, that taking a reasonable view of the matter and considering the average earnings, the earnings of the several petitioners have not fallen as a result of the employment of new men. Even on this ground there is no alteration of the conditions of service.

17. For the reasons mentioned above, I hold that there is no alteration to the prejudice of the petitioners in their conditions of service as alleged by them, and that there has been no contravention of Section 33 of the Industrial Disputes Act. It is also not possible to hold that the permission of this Tribunal is necessary to employ fresh men. This is not warranted by the language of Section 33, when the exigencies of service require the employment of extra men during certain seasons, when there is an increased volume of work, the employer is perfectly entitled to employ fresh new hands. I find accordingly.

18. *Point No. 4.*—The workers are not entitled to any relief.

19. *Point No. 5.*—The parties shall bear their own costs.

20. In the result, all the petitions are dismissed. No order as to costs. An award is passed in the above terms.

Dated at Tiruchirappalli Camp, this the 5th day of August 1953.

(Sd.) E. KRISHNAMURTHI,
Industrial Tribunal at Madurai.

List of Witnesses examined

For the workers:

W.W. 1—A. M. Thangappan.

W.W. 2—M. P. Joseph.

W.W. 3—K. O. Narayanan.

W.W. 4—P. K. Lakshmanan.

For the management:

M.W. 1—P. C. Mathew.

List of documents marked

For workers: Nil.

For the management:

Ex. M.1—Settlement dated 22nd February 1952 arrived at between the labourers of Messrs. Peirce Leslie and Company Ltd., and Messrs. Peirce Leslie and Company Ltd.

M.2—Supplement dated 7th March 1952 to settlement dated 22nd February 1952, Ex. M.1.

M.3—Letter dated 23rd June 1953 (copy) to the President, I.N.T.U.C., Mattancherry, from M/s Peirce Leslie and Co., Ltd., regarding recruitment of 25 new workers.

M.4—Letter dated 19th June 1953 from the President, Cochin Thuramukha Thozhilali Union to M/s. Peirce Leslie and Company Ltd.

M.5—Letter dated 19th June 1953 (copy) to the President, Cochin Thuramukha Thozhilali Union from Peirce Leslie and Co., Ltd.

M.6—Letter dated 18th June 1953 from Cochin Thuramukha Thozhilali Union to M/s. Peirce Leslie and Company Ltd., Cochin.

M.7—Letter dated 17th June 1953 (copy) to the Administrative Officer, Willingdon Island from Peirce Leslie and Co., Ltd.

M.8 & M.9—Letter dated 17th June 1953 (copy) to the Secretary, Cochin Thuramukha Thozhilali Union from M/s. Peirce Leslie and Company Ltd.

M.10—Notice issued to labourers, dated 13th June 1953, by the management of Peirce Leslie and Company Ltd.

M.11—Letter dated 9th June 1953 to the Secretary, Cochin Thuramukha Thozhilali Union from M/s. Peirce Leslie and Company Ltd.

- M.12—Letter dated 5th January 1953 to the President, Cochin Thuramukha Thozhilali Union from M/s. Peirce Leslie and Company Ltd.
- M.13—Letter dated 12th September 1952 to the President, Cochin Thuramukha Thozhilali Union from M/s. Peirce Leslie and Company Ltd.
- M.14—Notice dated 11th September 1952 issued to the workmen of Peirce Leslie and Company Ltd., by the management.
- M.15—Notice dated 11th September 1952 issued to the workmen by the management of Peirce Leslie and Company Ltd., in Malayalam.
- M.16—Letter dated 5th September 1952 to the Manager, M/s. Peirce Leslie and Company Ltd., from the President, Cochin Thuramukha Thozhilali Union, Cochin.
- M.17—Letter dated 5th September 1952 to the President, Cochin Thuramukha Thozhilali Union from Peirce Leslie and Company Ltd.
- M.18—Letter (copy) dated 4th September 1952 to the President, Cochin Thuramukha Thozhilali Union, Cochin from Peirce Leslie and Company Ltd., Cochin.
- M.19—Letter dated 3rd September 1952 (copy) to the President, Cochin Thuramukha Thozhilali Union from M/s. Peirce Leslie and Company Ltd.
- M.20—Letter dated 21st July 1952 to the President, Cochin Thuramukha Thozhilali Union from M/s. Peirce Leslie and Company Ltd.
- M.21—Letter dated 19th July 1952 of M/s. Peirce Leslie and Company Ltd., Cochin to Tea Shipping Department, Cochin.
- M.22—Letter dated 8th July 1952 to the Secretary, Cochin Thuramukha Thozhilali Union from M/s. Peirce Leslie and Company Ltd.
- M.23—Letter dated 30th June 1952 of M/s. Peirce Leslie and Company Ltd., to Cochin R. & F. Import.
- M.24—Letter dated 26th June 1952 of M/s. Peirce Leslie and Company Ltd., to Cochin R. & F. Department.
- M.25—Letter dated 18th June 1952 to the President, Cochin Thuramukha Thozhilali Union from M/s. Peirce Leslie and Company Ltd.
- M.26—Letter dated 13th June 1952 of M/s. Peirce Leslie and Company Ltd., to Mr. P. C. Mathew, Esq.
- M.27—Letter dated 17th June 1952 of M/s. Peirce Leslie and Company Ltd., to Mr. P. C. Mathew, Esq.
- M.28—Letter dated 20th April 1952 to M/s. Peirce Leslie and Company Ltd., from the Secretary, Cochin Thuramukha Thozhilali Union.
- M.29—Letter dated 15th April 1952 to the President, Cochin Thuramukha Thozhilali Union from M/s. Peirce Leslie and Company Ltd.
- M.30—Letter dated 10th April 1952 to the President, Cochin Thuramukha Thozhilali Union, from M/s. Peirce Leslie and Company Ltd.
- M.31—Letter dated 21st March 1952 to M/s. Peirce Leslie and Company Ltd., from Cochin Thuramukha Thozhilali Union, Cochin.
- M.32—Letter dated 20th March 1952 to the President, Cochin Thuramukha Thozhilali Union from M/s. Peirce Leslie and Company Ltd.
- M.33—Letter dated 23rd February 1952 to the Conciliation Officer, Central Madurai from M/s. Peirce Leslie and Company Ltd. (copy).
- M.34—Letter dated 21st February 1952 to M/s. Peirce Leslie and Company Ltd., from the Conciliation Officer (Central) Madurai.
- M.35—Statement showing average earnings of the workmen and the amount incurred by way of demurrage, wharfage and transit dues.
- M.36—Statement showing weekly earnings of the workmen working in Peirce Leslie and Company Ltd., Cochin.

(Sd.) E. KRISHNAMURTHI,
Industrial Tribunal at Madurai.

[No. LR.2(345)/I.]

S.R.O. 1694.—In pursuance of section 17 of the Industrial Disputes Act, 1947, (XIV of 1947), the Central Government hereby publishes the following award of the Industrial Tribunal, Madurai, in the matter of a complaint under section 33A of the said Act from Shri A. P. Emiliose, stevedore workman against K. B. Jacob and Sons, Fort Cochin.

BEFORE THE CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL, MADURAI

PRESENT:—Sri E. Krishnamurthi, M.A., B.L., Industrial Tribunal at Madurai.

Wednesday, the 5th August 1953

INDUSTRIAL DISPUTE NO. 14 (CENTRAL) OF 1952

BETWEEN

A. P. Emiliose, Stevedore Workman, K. B. Jacob and Sons, Fort Cochin,
represented by the Cochin Port Cargo Labour Union, Mattancherry.
—Petitioner.

AND

The management of K. B. Jacob and Sons, Fort Cochin—Respondents.

AWARD

By Order No. LR. 2(345) I, dated 14th October 1952, of the Government of India, Ministry of Labour, New Delhi, the industrial dispute between certain employers of stevedore labour and their workmen at Port Cochin, has been referred to this Tribunal for adjudication.

2. Pending adjudication the present petition, I.D.No. 14 (Central) of 1952 has been filed by A. P. Emiliose against K. B. Jacob and Sons, Fort Cochin.

3. The petitioner's case is that he was employed permanently by the opposite party as a stevedore workman from 1942, that the respondent discharged him from service on 2nd February 1952 without the express permission in writing of this Tribunal, and during pendency of proceedings, and that the petitioner should be re-employed with compensation for forced unemployment.

4. The contention on behalf of the respondent is, that A. P. Emiliose, the petitioner, was employed elsewhere till 1946, that only in 1949 he was employed by the respondent as a worker, that the respondent did not engage him in 1950 and 1951, that he was engaged as a stevedore labourer only from July 1951 to January 1952, and that the petitioner was never a permanent worker of the respondent.

5. No rejoinder was filed on behalf of the petitioner.

6. The points for decision are:—

1. Whether the petitioner was permanently employed as a stevedore workman under the respondent from 1942?
2. Whether the respondent unlawfully discharged him from service?
3. Whether there is a contravention of Section 33 of the Industrial Disputes Act of 1947?
4. Whether the petitioner is entitled to be reinstated?
5. To what compensation, if any, is the petitioner entitled?
6. What orders should be made regarding costs?

7. The dispute between certain employers of stevedore labour and their workmen at Port Cochin has been referred to this Tribunal by the Government of India, Ministry of Labour, New Delhi, for adjudication by Order No. L.R. 2(345)/I, dated 14th October 1952.

8. The petitioner herein is A. P. Emiliose and he claims that he was employed under the respondent as a permanent stevedore worker from 1942, and that he was unlawfully discharged from service on 2nd February 1952 without the express permission of this Tribunal before whom the main dispute was pending adjudication. The petitioner prays that the respondent K. B. Jacob & Sons should be directed to re-employ him and also pay him compensation for his involuntary unemployment.

9. The respondent resists the claim of the petitioners and has put forward the plea that he was never a permanent workman and that no relief can be awarded to him.

10. At the time of trial, both parties stated that the matter had been compromised. Mr. Chadayamuri for the petitioner endorsed in the petition as follows:—

“Petition not pressed because the petitioner has in the meantime got employment.

Dated the 27th July 1952.

(Sd.) G. George Chadayamurri.”

In face of the above endorsement the petition is dismissed as not pressed. There will be no order as to costs.

11. An award is passed accordingly.

Dated at Tiruchirapalli Camp, this the 5th day of August 1953.

(Sd.) E. Krishnamurthi,
Industrial Tribunal at Madurai.

List of witnesses examined and documents marked—Nil.

(Sd.) E. Krishnamurthi,
Industrial Tribunal at Madurai.

[No. LR.2(345)/II.]

A. P. VEERA RAGHAVAN, Asstt. Secy.

New Delhi, the 7th September 1953

S.R.O. 1695.—In pursuance of the provisions of sub-clauses (1) and (3) of clause 4 of the Bombay Dock Workers (Regulation of Employment) Scheme, 1951, and in partial modification of the notification of the Government of India in the Ministry of Labour No. S.R.O. 537, dated the 9th April 1951, the Central Government hereby appoints Shri D. G. Kale, Government Labour Officer, Bombay, as a member of Bombay Dock Labour Board vice Shri Gurian Thomas, resigned.

[No. Fac.73(23).]

S.R.O. 1696.—In pursuance of section 10 of the Employees' State Insurance Act, 1948, (XXXIV of 1948), the Central Government hereby directs that the following further amendment shall be made in the notification of the Government of India in the Ministry of Labour, No. SS.21(4), dated the 28th December, 1948, constituting the Medical Benefit Council, namely:—

In the said notification for item No. (6), the following item shall be substituted, namely:—

“(6) Dr. M. V. Ramanamurti, M.B., B.S., F.R.C.S. (Edin), Director of Medical Services, Madras”.

[No. SS.121(49).]

New Delhi, the 8th September 1953

S.R.O. 1697.—In exercise of the powers conferred by sub-clauses (1) and (3) of clause 4 of the Calcutta Dock Workers (Regulation of Employment) Scheme, 1951, the Central Government hereby directs that the following amendments shall be

made in the notification of the Government of India in the Ministry of Labour, No. S.R.O. 1510, dated the 2nd September, 1952, namely:—

Amendments

In the said notification—

- (a) under the heading "*Representatives of the Central Government*", in item (3), for the words and letter "Shri A. Talib", the words and letters "Shri G. S. Ahluwalia" shall be substituted;
- (b) under the heading "*Representatives of dock workers*" in item (3), for the words and letters "Shri Ramanand Dass, M.P." the words "Shri Jalil Khan", shall be substituted; and
- (c) under the heading "*Representatives of employers of dock workers and shipping companies*", in item (1), for the words and letters "Shri A. N. Chaudhri", the words and letters "Shri K. C. Mukherjee" shall be substituted.

[No. Fac.74(2).]

K. N. NAMBIAR, Under Secy.

